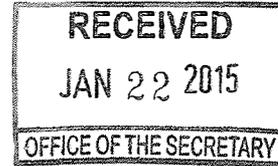


**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**



**ADMINISTRATIVE PROCEEDING**  
**File No. 3-16263**

**In the Matter of**  
  
**Joshua Wayne Lankford,**  
  
**Respondent.**

**THE DIVISION OF ENFORCEMENT'S**  
**MOTION FOR SANCTIONS**

**DIVISION OF ENFORCEMENT'S MOTION FOR SANCTIONS AGAINST**  
**RESPONDENT JOSHUA WAYNE LANKFORD**

Pursuant to Rules 155(a) and 220(f) of the Commission's Rules of Practice [17 C.F.R §§ 201.155(a) and 201.220(f)] and the Court's Order of December 16, 2014, the Division of Enforcement (the "Division") moves the Court to impose upon Respondent Joshua Wayne Lankford ("Lankford") an order barring Respondent from association with any broker, dealer, investment adviser, municipal securities dealer, municipal adviser, transfer agent, or nationally recognized rating organization.

In support of its motion, the Division respectfully submits the accompanying memorandum.

Dated: January 22, 2015

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Keith A. O'Donnell".

Keith A. O'Donnell  
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202-551-4562

**UNITED STATES OF AMERICA  
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SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING  
File No. 3-16263**

**In the Matter of  
  
Joshua Wayne Lankford,  
  
Respondent.**

**DIVISION OF ENFORCEMENT'S MEMORANDUM IN SUPPORT OF ITS MOTION  
FOR SANCTIONS AGAINST RESPONDENT JOSHUA WAYNE LANKFORD**

Keith A. O'Donnell  
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202-551-4960

Dated: January 22, 2015

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## **I. INTRODUCTION**

The Commission instituted this proceeding with an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Exchange Act and Notice of Hearing (“OIP”) against Lankford following a 2011 final default judgment permanently enjoining Lankford from future violations of Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder and barring him from participating in an offering of penny stock. This proceeding also follows Lankford’s guilty plea in a parallel criminal case where he was found guilty of Money Laundering and Aiding and Abetting based on the same conduct that was the basis for the civil injunction. Both the civil injunction and the criminal conviction establish that it is in the public interest for the Commission to permanently bar Lankford from association with an investment adviser, broker-dealer, municipal securities dealer, municipal adviser, transfer agent, or Nationally Recognized Statistical Rating Organization (NRSRO). As Lankford has defaulted in this proceeding, the Division now files this Motion for Sanctions.

## **II. PROCEDURAL HISTORY**

On November 7, 2014, the Commission commenced this proceeding. On November 10, 2014, Lankford was served with the OIP by Certified U.S. Mail in accordance with Rule 141(a)(2)(i) of the Commission’s Rules of Practice [17 C.F.R. § 201.141(a)(2)(i)]. Lankford’s answer to the OIP was due no later than December 3, 2014.<sup>1</sup> On December 5, 2014, the Court ordered Respondent to show cause by December 15, 2014, why this proceeding shall not be determined against him due to his failure to file an answer or otherwise defend this proceeding.

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<sup>1</sup> The signed receipt was attached as Exhibit No. 1 to the Division’s December 4, 2014 Brief in Support of Motions for Adjournment of Hearing and for Prehearing Conference.

The Court further ordered “[i]f Lankford fails to respond to this Order, he shall be deemed in default and the proceeding will be determined against him.” Lankford failed to appear at the prehearing conference held by telephone despite having been provided with the necessary access information to join the conference.<sup>2</sup> He also failed to show cause why this proceeding should not be determined against him as ordered by the Court. On December 16, 2014, the Court issued an Order finding Respondent in default and ordering the Division to file this Motion for Sanctions.

### **III. FACTS**

#### **A. Lankford’s Indictment and Conviction**

From November 2003 to his resignation in September 2005, Lankford was a registered representative associated with Barron Moore, Inc., a registered broker-dealer. Lankford held NASD series 7, 24, and 63 licenses until October 24, 2007 when FINRA barred him from associating with any FINRA member for failing to testify and provide documents. After leaving Barron Moore, Lankford managed and directed an entity known as the Lankford Media Group, LLC (LMG).<sup>3</sup> On November 25, 2008 FINRA expelled Barron Moore from the securities industry.

On January 15, 2009, Lankford and other defendants, including co-defendant G. David Gordon, were indicted on one count of conspiracy; eight counts of wire fraud; four counts of

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<sup>2</sup> Following the prehearing conference, staff at Federal Correctional Institution (FCI) Fort Worth returned calls the Division staff had left in the past. FCI Fort Worth staff then set up a teleconference between the Division and Respondent. On the teleconference, Lankford acknowledged that he had actually received the pleadings that the Division had sent to him. Division staff told Lankford that the Court had found him in default, and that the Division would be filing this motion against him. Lankford offered to settle the proceeding, and, on December 18, 2014, the Division sent him a proposed Offer of Settlement with a pre-paid return envelope for his consideration. On January 16, Lankford stated in an e-mail that he had sent the notarized document the prior day. To date, the Division has not received anything back from him.

<sup>3</sup> A copy of the BrokerCheck Report concerning Lankford’s associated status and licensing during the period of his misconduct is attached hereto as Exhibit 1. BrokerCheck reports are publicly available and are properly subject to official notice pursuant to Rule 323 of the Rules of Practice. *See Lawrence Maxwell McCoy*, Release No. 569 (Feb. 26, 2014), 108 SEC Docket 07, 2014 WL 720787 at \*2.

aiding and abetting and securities fraud; and five counts of money laundering. *United States v. Gordon, et al.*, Case No. 4:09-cr-13(N.D.Okla.), Docket No. 2 (hereinafter “*US v. Gordon*, Doc. No. \_\_\_”)<sup>4</sup> The indictment charged that, from 2004 to 2006, Lankford and others willfully and knowingly conspired and succeeded in carrying out a “pump and dump” scheme, in which Lankford and others artificially manipulated the price and volume of penny stocks, National Storm Management Group, Inc. (“NLST”), Deep Rock Oil and Gas, Inc. (“DPRK”), and Global Beverages Solutions, Inc. (“GBVS”), collectively known as the “Target Stocks.” Exhibit 3 at 5, 6.

According to the Indictment, the defendants carried out this manipulation in order to later sell the Target Stocks at an artificially inflated price. Exhibit 3 at 6, 7. Lankford and others gained control and ownership of unrestricted shares of stock; concealed their ownership of those stocks by parking their shares using various nominee accounts; manipulated the trading volume and share price of the stock by secretly coordinating their trading; disseminated false and misleading promotional materials that failed to disclose material information for the purpose of artificially inflating the trading volume and stock price; and sold the shares of stock in the market at the artificially inflated prices to unsuspecting investors. Exhibit 3 at 6, 7.

From 2008 to 2011, after he became aware he was under criminal investigation, Lankford left the United States and went to Costa Rica, where he assumed the identity of a Costa Rican citizen and used other false identities. Lankford left behind a family, including young children. He remained a fugitive until he was arrested in 2011 and extradited to face the criminal charges.<sup>5</sup>

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<sup>4</sup> The Indictment and the other pleadings and Orders in the *US v. Gordon* case are available on the Public Access to Court Electronic Records service (PACER) and are properly subject to official notice. See *McCoy*, 108 SEC Docket 07 2014 WL 720787 at \*2. We have attached a copy of the criminal case Docket sheet as to defendant Lankford as Exhibit 2, and a copy of the Indictment as Exhibit 3.

<sup>5</sup> *US v. Gordon*, Doc. No. 433 (Order of Detention Pending Trial) attached as Exhibit 4.

Meanwhile, on May 3, 2010, the other conspirators were criminally convicted following a 15-day jury trial for their roles in an extensive “pump and dump” stock manipulation scheme. *US v. Gordon*, Doc. No. 223 (on the criminal case main docket sheet).<sup>6</sup> The criminal trial involved 16 witnesses and 200 admitted exhibits.<sup>7</sup> Following his extradition, on May 25, 2012, Lankford was arraigned and provided with court-appointed counsel. On June 12, 2012, the case against Lankford was declared a complex case.<sup>8</sup> On June 21, 2012, Lankford’s counsel received discovery in the criminal case, including an external hard drive and 225 items of materials. These materials included materials from the SEC investigation and the criminal case and trial.<sup>9</sup>

On December 10, 2012, at a “change of plea” hearing, Lankford plead guilty.<sup>10</sup> Specifically, Lankford pled guilty to one count of Money Laundering and Aiding and Abetting in violation of 18 U.S.C. §§ 1957 and 2(a). *US v. Gordon*, Doc. No. 459.<sup>11</sup> Five months later, on May 21, 2013, following a sentencing hearing held on May 16, Lankford was sentenced to a term of imprisonment of eighty-four (84) months. *US v. Gordon*, Doc. No. 494.<sup>12</sup>

The count of the indictment to which Lankford pled guilty alleged, *inter alia*, that Respondent knowingly engaged in a monetary transaction in criminally derived property derived from wire fraud and fraud in the sale of securities. In particular, that count concerned a wire transfer of \$250,000 derived from the proceeds of GBVS stock sales that were held in the

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<sup>6</sup> Gordon then appealed his criminal conviction to the Tenth Circuit, where it was upheld. *US v. Gordon*, 710 F 3d 1124 (10th Cir. 2013).

<sup>7</sup> *US v. Gordon*, Doc. No. 435 (Order Declaring Case a Complex Matter), attached as Exhibit 5 at 3.

<sup>8</sup> *US v. Gordon*, Doc. No. 435 (Exhibit 5)

<sup>9</sup> See June 21, 2012 receipt of James Fatigante, Esq., attached as Exhibit 6. See also *US v. Gordon* Doc. No. 435 (Exhibit 5) at 3.

<sup>10</sup> *US v. Gordon*, Doc. No. 457 (Transcript of Change of Plea Hearing), attached as Exhibit 7.

<sup>11</sup> *US v. Gordon*, Doc. No. 459 (Plea Agreement) is attached hereto as Exhibit 8.

<sup>12</sup> *US v. Gordon*, Doc. No. 494 (Judgment of Conviction) is attached hereto as Exhibit 9. The Division staff has a copy of the transcript of Lankford’s sentencing hearing, which was filed under seal. If the Court wishes to see the transcript, the Division can move to file it under seal in this proceeding.

account of Lankford's entity, LMG at Barron Moore, the broker-dealer that Lankford had been associated with, and sent to LMG's bank account and from there sent to an account controlled by one of Lankford's co-defendants.<sup>13</sup>

**B. Lankford's Default Judgment**

On February 10, 2009, the Commission filed a civil complaint against Lankford and his co-defendants, including co-defendant Gordon. *SEC v. Gordon*, Case No. 4:09-cv-61 (N.D.Okla.) Docket No. 2 (hereinafter "*SEC v. Gordon* Doc. No. \_\_")<sup>14</sup> The SEC's complaint was based on the same conduct as was alleged in the criminal indictment. Specifically, the Commission's complaint alleged that Lankford and others (the "Defendants") engaged in a "pump and dump" scheme to defraud the public by manipulating the share prices of the Target Stocks. Exhibit 12 at 1. The defendants carried out their scheme by obtaining market domination in these stocks; engaging in coordinated trading activity; and creating and distributing to the public deceptive promotional materials. By selling shares of the same three Target Stocks (NLST, DPRK, and GBVS) that they were recommending that the public buy, the Defendants artificially inflated (the "pump") the price of stock and then sold their own shares (the "dump"). Exhibit 12 at 1, 2. The complaint alleged that the Defendant's scheme to defraud was perpetuated from the spring of 2005 through December 2006 and derived illegal trading profits totaling in excess of \$20 million. Exhibit 12 at 2.

On July 27, 2011, a final judgment by default was entered against Lankford, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act and Section

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<sup>13</sup> *US v. Gordon*, Doc. No. 2 (Exhibit 3) at 21. See also *US v. Gordon*, Doc. No. 413 (Affidavit of Special Agent Jarom Gregory) attached hereto as Exhibit 10 at 10-11.

<sup>14</sup> Like the criminal proceeding, the complaint and the other pleadings and Orders in the *SEC v. Gordon* case are available on PACER and are properly subject to official notice. We have attached a copy of the docket sheet as Exhibit 11, and a copy of the Complaint as Exhibit 12.

10(b) of the Exchange Act and Rule 10b-5. *SEC v. Gordon*, Doc. No. 94.<sup>15</sup> Lankford was barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock. Exhibit 13 at 5. The judgment ordered Lankford jointly and severally to disgorge \$40,072,806.97, which represented the profits resulting from the “pump and dump” scheme, minus amounts received from co-defendants in the criminal forfeiture orders in the parallel criminal case, plus pre-judgment interest thereon in the amount of \$10,307,489.92, for a total of \$50,380,296.89. Exhibit 13 at 6. On March 11, 2011, the Court held an evidentiary hearing to determine the amounts of disgorgement and prejudgment interest before ruling on the Commission’s motion for a default judgment against a co-defendant Dean Sheptycki. *SEC v. Gordon*, Doc. No. 70.<sup>16</sup>

**C. Evidence Of Lankford’s Conduct**

At the March 11, 2011 evidentiary hearing in the *SEC v. Gordon* case, witnesses also testified about Lankford’s conduct. Specifically, Mark Lindberg, who had previously pled guilty in the criminal case, testified that Lankford was one of the “main players” in the scheme to pump-and-dump the Target Stocks. Exhibit 14 at 12. Lindberg testified that Lankford owned the main broker dealer that traded most of the stock. Exhibit 14 at 16. Lindberg added that Lankford “was a fugitive from the law,” that Lindberg met with Lankford many times and that there were “multiple conversations about the legality of it,” including one in which another participant on a phone call said, “Well, you know, boys, what we’re doing is illegal.” Exhibit 14 at 20.

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<sup>15</sup> A copy of the default judgment is annexed hereto as Exhibit 13.

<sup>16</sup> *SEC v. Gordon*, Doc. No. 70, attached hereto as Exhibit 14.

In the same evidentiary hearing, FBI agent Jarom Gregory testified that Lankford had used his younger half-brother, Matthew Crockett, then age 18 or 19 as a nominee to “open all these bank and brokerage accounts” including accounts “that were used to facilitate the fraud.” Exhibit 14 at 34.

On December 10, 2012, at the change of plea hearing in the criminal case, the prosecutor summarized Lankford’s conduct, in Lankford’s presence, as follows:

The defendant, Joshua Lankford, was a part owner of a brokerage house in Dallas, Texas by the name of Barron Moore. As a dealer-broker, the Defendant Lankford served a key role in the conspiracy because, as a broker, he allowed the defendants to access many accounts both in their names and the names of nominees. Those accounts were used to manipulate the market for National Storm, NLST as we call it, Deep Rock, and Global Beverage.

Lankford used his half-brother, Matthew Crockett, making him head of four or five companies. As a result, those companies were used as nominees and nominee accounts to further the conspiracy or the stock manipulation scheme. . . . .

With regard to the specific charge in the Indictment, Your Honor, Count 20, Defendant Lankford was involved in the transfer of \$250,000 from a company that the defendant controlled called Lankford Media Group. That transfer of \$250,000, Your Honor, was made to the David Gordon Associates trust account on May 25<sup>th</sup> of 2006. The source of that money was the sale of illegally manipulated Global Beverage Solution shares. Those shares had been manipulated from April 1<sup>st</sup> of 2006 through April 20<sup>th</sup> of 2006.

*US v. Gordon*, Doc. No. 457 (Exhibit 7) at 12-13.

**D. Evidence of the Impact of the Fraudulent Scheme**

At the evidentiary hearing in the SEC case, the Court found that “this was a very sophisticated scheme, that the time period was at least six months, that the degree of injury to the

public was at least [\$]43 million . . . .”<sup>17</sup> Although the Court convened that hearing to determine the default judgment as to another defendant, the Court was addressing the overall scheme, and used the same disgorgement amount in the Final Judgment that the same judge entered against Lankford. Evidence in the criminal case demonstrates that the overall scheme had more than 17,000 victims.<sup>18</sup>

#### **IV. LEGAL DISCUSSION**

##### **A. Section 15(b) of the Exchange Act**

A proper basis for follow-on industry bars exists under Section 15(b) of the Exchange Act. Section 15(b), as amended by Section 925 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”), authorizes the Commission to censure, place limitations on, suspend, or bar a person associated with a broker, dealer or from participating in an offering of any penny stock when: (1) such a person has been convicted within the past ten years of certain enumerated offenses, or an offense that “involves the purchase or sale of any security” or “arises out of the conduct of the business of a broker, dealer” or is temporarily or permanently enjoined from continuing any conduct or practice in connection with the purchase or sale of any security; and (2) such sanctions are in the public interest.<sup>19</sup> Sections 15(b)(4)(B)-(C), (b)(6)(A)(ii)-(iii) of the Exchange Act [15 U.S.C. §§ 78o(b)(4)(B)-(C), (b)(6)(A)(ii)-(iii)].

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<sup>17</sup> Exhibit 14 at 42. The \$43 million amount was the stock-sale proceeds or the disgorgement amount; but it was not the restitution or victim loss amount. See *US v. Gordon*, Docket No. 488 (Restitution Sentencing Memo) attached hereto as Exhibit 15 at 3.

<sup>18</sup> *US v. Gordon*, Docket No. 488 (Exhibit 15) at 3.

<sup>19</sup> The Commission has held that a collateral bar resulting from conduct predating the Dodd-Frank Act provides prospective relief from harm to public investors and the markets and is not “impermissibly retroactive.” See, e.g., *In the Matter of Johnny Clifton*, Exchange Act Release No. 69982, 2013 WL 3487076, at \*13 (July 12, 2013); *In the Matter of John W. Lawton*, Advisers Act Release No. 3513, 2012 WL 6208750, at \*10 (Dec. 13, 2012). Accordingly, the imposition of a collateral bar on Lankford despite the fact that his alleged misconduct occurred before the Dodd-Frank Act, is an appropriate sanction if it is in the public interest.

(1) **Lankford Was Enjoined for Conduct in Connection with the Purchase or Sale of a Security**

Lankford was enjoined for violations of the antifraud and registration provisions of the federal securities laws. At the time of his misconduct, Lankford was associated with a broker-dealer, Barron Moore, from November 2003 through September 2005 and was a registered stock broker. The Commission's complaint alleged that he engaged in a scheme to defraud from the spring of 2005 through December 2006, a time period that overlaps his association with the broker-dealer.

The underlying conduct clearly involved the purchase or sale of a security. The Commission's complaint alleged that the principal objective of the pump-and-dump scheme engaged in by Lankford and his co-defendants was to unload the Target Stocks on unsuspecting public investors after conditioning the market by launching a false promotional campaign and engaging in coordinated manipulative trading.

The SEC injunction was entered by default. In the case of *In the Matter of Delsa U. Thomas*, File No. 3-15820, this Court held that in the case of a default, the Court could not rely solely on the allegations in the underlying complaint, but would require additional evidence. In this case, unlike *Thomas*, however, Lankford also entered a guilty plea in the parallel criminal case after he and his counsel were provided with the discovery materials from the criminal case.<sup>20</sup> In addition, the Division has provided herewith materials that go beyond mere allegations, including the transcript of an evidentiary hearing held in open court in the SEC case, affidavits, and the transcript of Lankford's "change of plea" hearing.

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<sup>20</sup> By contrast, in *Thomas*, the respondent moved to vacate the default judgment in the underlying case. *See Thomas*, 2014 WL 5666887 at \*5.

**(2) Lankford's Criminal Conviction**

In addition, Lankford's conviction for Money Laundering serves as another predicate for permanent bars under Sections 15(b)(4)(B) and (b)(6)(A)(ii) of the Exchange Act. According to the Indictment, Lankford's criminal conduct occurred from April 2004 through December 2006, a time period that overlaps his association with broker dealer Barron Moore.

Lankford's conviction for Money Laundering is within the scope of offenses that were meant to trigger the sanctions permissible under Section 15(b)(4) and (6). Lankford's Money Laundering offense clearly arises out of conduct involving the purchase or sale of a security and the "conduct of the business of a broker-dealer." Section 15(b)(4)(B)(ii) [15 U.S.C. §78o(b)(4)(B)(ii)]. Such conduct provides a basis for a permanent bar under Section 15(b)(4)(B). According to the Indictment, Barron Moore was integral to the overall scheme to manipulate the Target Stocks and allocate the sale proceeds among the participants. The use of Barron Moore brokerage accounts was particularly instrumental to Lankford's participation in the scheme. Exhibit 3 at 16, 17. In describing Lankford's role in the scheme at the evidentiary hearing in the SEC case, Mark Lindberg testified that Lankford owned Barron Moore, the "broker dealer that was the main broker dealer that traded most of the stock." Exhibit 14 at 16. Lindberg added that Barron Moore's role was "vital."

"It would request symbols to get the stock listed and traded on the market, it would receive stock certificates, trade stock, sell stock, wire funds out from the proceeds of the stock, and, you know, without it, it would be real hard to do a pump and dump without a broker dealer."

Exhibit 14 at 19-20. Moreover, the particular transaction that Lankford pleaded guilty to was a May 25, 2006 wire transfer of \$250,000 "derived from the proceeds of GBVS stock sales in the LMG brokerage account at Barron Moore" that was sent from Lankford's LMG account at Bank

of America to an account in the name of co-defendant David Gordon's law firm. *See* Exhibit 10 at 11; Exhibit 7 at 12-13. Thus, the Money Laundering transaction involved the proceeds of the sale of stock and was "in connection with the purchase or sale of a security." Section 15(b)(4)(B)(i) [15 U.S.C. §78o(b)(4)(B)(i)].

The fact that money-laundering is not one of the criminal offenses enumerated in Section 15(b)(4)(iii) or (iv) [15 U.S.C. Section 78o(b)(4)(iii) or (iv)] does not mean that that conviction cannot serve as the predicate for a follow-on bar. Indeed, in the case of *In the Matter of Gary M. Kornman*, File No. 3-12716, the Commission found that an individual who violated the federal law against false statements to federal officials [18 U.S.C. § 1001] should be barred from the securities industry in a follow-on proceeding even though Section 15(b)(4)(iii) and (iv) do not specifically enumerate that violation as being disqualifying. In that case, the Commission stated:

Contrary to Kornman's position, both Exchange Act Section 15(b)(6)(A)(ii) and Advisers Act Section 203(f) incorporate the entirety of Sections 15(b)(4)(B) and 203(e)(2)-(3), authorizing proceedings against associated persons for a conviction of any offense enumerated in those sections, including violations involved in title 18, chapter 47 and not merely the four violations suggested by Kornman. Kornman's narrow interpretation of the authorizing statutes would render nearly all of the criminal conduct set forth in Sections 15(b)(4)(B) and 203(e)(2)-(3), including the multitude of securities laws violations, inapplicable to associated persons of brokers, dealers, and investment advisers, an interpretation that has no support in the law.

*Kornman*, 2009 WL 367635 at \*5.

#### **B. A Permanent Bar is in the Public Interest**

When assessing public interest, the Commission is guided by the well-established public interest factors set forth in *Steadman v. S.E.C.*, which include the following elements: (i) the egregiousness of the respondent's actions; (ii) the isolated or recurrent nature of the infraction; (iii) the degree of scienter involved; (iv) the sincerity of the respondent's assurances against future violations; (v) the respondent's recognition of the wrongful nature of his misconduct; and

(vi) the likelihood that his occupation will present opportunities for future violations. *Steadman v. S.E.C.*, 603 F.2d 1126, 1140 (5th Cir. 1979), *aff'd on other grounds*, 450 U.S. 91 (1981).<sup>21</sup>

The Commission may order sanctions upon summary disposition when, accepting the respondent's assertions as true, the weight of the *Steadman* factors suggests that it is in the public interest to do so. *Michael D. Montgomery*, Release No. 688, 2014 WL 5035370, at \*4-8 (ALJ Oct. 9, 2014). "[T]he Commission's assessment of appropriate sanctions to protect the public interest is a flexible one, and no one factor is dispositive." *Kornman*, 2009 WL 367635, at \*6 (quoting *David Henry Disraeli*, Exchange Act Release No. 57027 and Advisers Act Release No. 8880 (Dec. 21, 2007, *aff'd*, 2009 WL 1791547 (D.C. Cir. June 19, 2009) (*per curiam*) (unpublished)) (internal citations omitted). Furthermore, violations of the "antifraud provisions of the federal securities laws are especially serious and merit the severest of sanctions." *In the Matter of Armand R. Franquelin*, Release No. 698, 2014 WL 5383925, at \*7 (ALJ Oct. 22, 2014) (default order) (internal quotations omitted). In this case, all of the *Steadman* factors support a follow-on bar against Lankford from further association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or NRSRO.

**(1) Lankford's Conduct was Egregious**

Lankford used his position as a financial professional and registered stock broker to participate in a fraudulent scheme to manipulate the share prices of penny stocks. The scheme involved over 17,000 victims, and over \$40 million in disgorgement. Additionally, Lankford

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<sup>21</sup> The Commission has considered three additional factors in making the public interest determination concerning sanctions: 1) the age of the violation; 2) the degree of harm to investors and the marketplace resulting from the violation; and 3) the extent to which the sanction will have a deterrent effect. *Marshall E. Melton*, Advisers Act and Exchange Act Release No. 2151, 2003 WL 21729839, at \*2 (July 25, 2003); *Schild Mgmt. Co.*, Exchange Act and Advisers Act Release No. 2477, 2006 WL 231642, at \*8 (Jan. 31, 2006). Here, the misconduct occurred within the last 10 years; the ill-gotten gains to be disgorged were \$40 million and the marketplace suffered severe harm as a result of Lankford's manipulation. A permanent bar from the securities industry will serve to deter Lankford from future misconduct.

used his younger half-brother as a nominee, fled the United States, and assumed a false identity in Costa Rica to avoid criminal and civil proceedings.

**(2) Lankford's Violations Were Recurring**

Lankford's misconduct was not an isolated event but rather an ongoing scheme. Although the guilty plea specified one date of money laundering, the indictment and final default judgment depict conduct that continued over 24 months, while the SEC default judgment indicates that the conspiracy lasted between 12 and 16 months.

**(3) Lankford's Actions Were Intentional**

Lankford demonstrated a high degree of scienter as a registered stock broker. He knowingly engaged or attempted to engage in money laundering, knowing that the transaction was a criminal offense. The degree of scienter was further compounded by Lankford's action to hide his misconduct and self-enrichment by transferring proceeds from the sale of the stock into nominee accounts controlled by the defendants. *See In the Matter of Ross Mandell*, 2014 WL 907416, at \*5 (finding that the respondent acted with a high degree of scienter in planning, executing, and disguising a fraudulent scheme); *In the Matter of Gary L. McDuff*, 2014 WL 4384138, at \*7 (noting that even when the court does not explicitly find scienter, it can be inferred by the scienter element in securities fraud provisions under which the respondent is enjoined; specifically, violations of Exchange Act Section 10(b) and Rule 10b-5, and Securities Act Section 17(a)(1) require scienter). Lankford further demonstrated a high degree of scienter by intentionally fleeing from law enforcement officials and assuming a false identity in Costa Rica. This factor weighs in favor of a bar.

**(4) Lankford's Recognition of the Wrongful Nature of His Conduct**

A respondent's recognition of the wrongfulness of his conduct and assurances against future misconduct are accepted as sincere in considering a summary disposition. On December 10, 2012, Lankford did plead guilty to one count of money laundering. However, such factors "do not outweigh" the Commission's concern that the respondent will present a threat if he or she "is permitted to remain in the securities industry." *Kornman*, 2009 WL 367635, at \*7 ("The securities industry presents continual opportunities for dishonesty and abuse and depends heavily on the integrity of its participants and on investors' confidence."). Additionally, Lankford did not voluntarily return to the United States but was extradited and forcibly returned, which weighs against his recognition of the wrongful nature of his conduct. Thus, this factor weighs heavily in favor of a bar.

**(5) Opportunities for Future Violations**

There is unacceptable risk that Lankford would commit further misconduct if permitted to return to the securities industry upon his release from incarceration. Although Lankford currently has 35 months left to serve of his 84 month sentence, Lankford is 40 years old and the "existence of a violation raises an inference that it will be repeated." *See McDuff*, 2014 WL 4384138, at \*8 (finding that even a term of 300 months indicates a probability of committing future wrong) (internal citations omitted). Each area of the securities industry covered by the collateral bar presents continual opportunities for similar dishonesty and abuse, and depends heavily on the integrity of its participants and on investors' confidence. *Kornman*, 2009 WL 367635, at \*7.

**V. RELIEF REQUESTED**

The Division requests that Lankford be permanently barred from associating with any investment advisor, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or NRSRO pursuant to Section 15(b) of the Securities and Exchange Act.

**VI. CONCLUSION**

For the foregoing reasons, the Division requests that the Court grant the Division of Enforcement's Motion for Sanctions Against Respondent Joshua Wayne Lankford and impose the relief requested above.

Respectfully submitted this 22 day of January, 2015.



Keith A. O'Donnell  
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Securities and Exchange Commission  
Division of Enforcement  
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**BrokerCheck Report**

**JOSH WAYNE LANKFORD**

CRD# [REDACTED]

Report [REDACTED], data current as of Tuesday, November 11, 2014.

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Broker Qualifications	2 - 3
Registration and Employment History	4
Disclosure Events	5

## About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <http://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

[brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

For more information about FINRA, visit [www.finra.org](http://www.finra.org).

Thank you for using FINRA BrokerCheck.

**JOSHUA W. LANKFORD**

CRD# 2783571

This broker is not currently registered.

**Report Summary for this Broker**

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

**Broker Qualifications**

**This broker is not currently registered.**

**This broker has passed:**

- 0 Principal/Supervisory Exams
- 1 General Industry/Product Exam
- 1 State Securities Law Exam

**Registration History**

**This broker was previously registered with the following securities firm(s):**

**BARRON MOORE, INC.**  
 CRD# 123521  
 DALLAS, TX  
 11/2003 - 09/2005

**RICHMARK CAPITAL CORPORATION**  
 CRD# 43162  
 IRVING, TX  
 10/2003 - 12/2003

**TREASURE FINANCIAL CORP.**  
 CRD# 38323  
 RICHARDSON, TX  
 09/2003 - 10/2003

**Disclosure Events**

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

Are there events disclosed about this broker? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Regulatory Event	1
Criminal	1
Civil Event	1

## Broker Qualifications



### Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.

## Broker Qualifications



### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

**This individual has passed 0 principal/supervisory exams, 1 general industry/product exam, and 1 state securities law exam.**

#### Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

#### General Industry/Product Exams

Exam	Category	Date
General Securities Representative Examination	Series 7	09/24/2003

#### State Securities Law Exams

Exam	Category	Date
Uniform Securities Agent State Law Examination	Series 63	09/25/2003

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at [www.finra.org/brokerqualifications/registeredrep/](http://www.finra.org/brokerqualifications/registeredrep/).

## Registration and Employment History



### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
11/2003 - 09/2005	BARRON MOORE, INC.	123521	DALLAS, TX
10/2003 - 12/2003	RICHMARK CAPITAL CORPORATION	43162	IRVING, TX
09/2003 - 10/2003	TREASURE FINANCIAL CORP.	38323	RICHARDSON, TX

### Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

**Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.**

Employment Dates	Employer Name	Employer Location
09/2004 - Present	BARRON MOORE HOLDINGS, INC.	DALLAS, TX
11/2003 - Present	BARRON MOORE INC	DALLAS, TX

### Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

BARRON MOORE HOLDINGS, INC., 4308 AVONDALE AVE., SUITE 200, DALLAS, TEXAS, 75219. SR. VICE PRESIDENT, 24.9% OWNER, HOLDING COMPANY OWNS BARRON MOORE, INC., CONSULTING 10 HOURS PER WEEK. INVESTMENT RELATED.

## Disclosure Events



### What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
  - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - A "pending" event involves allegations that have not been proven or formally adjudicated.
    - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - A "final" event has been concluded and its resolution is not subject to change.
  - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	1	0



Criminal	1	0	0
Civil Event	0	1	0



## Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

### Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	NASD (N/K/A FINRA)
<b>Sanction(s) Sought:</b>	
<b>Other Sanction(s) Sought:</b>	
<b>Date Initiated:</b>	07/23/2007
<b>Docket/Case Number:</b>	
<b>Employing firm when activity occurred which led to the regulatory action:</b>	BARRON MOORE, INC.
<b>Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Allegations:</b>	NASD RULES 2110 AND 8210: RESPONDENT LANKFORD FAILED TO APPEAR FOR TESTIMONY UNDER OATH AND FAILED TO PROVIDE REQUESTED INFORMATION AND DOCUMENTS.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Decision & Order of Offer of Settlement
<b>Does the order constitute a</b>	No



**final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?**

**Resolution Date:** 10/24/2007

**Sanctions Ordered:** Bar

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS LANKFORD CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE HE IS BARRED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY.



## Criminal - Pending Charge

This type of disclosure event involves a formal charge for a crime involving a felony or certain misdemeanor offenses, including bribery, perjury, forgery, counterfeiting, extortion, fraud, and wrongful taking of property that is currently pending.

### Disclosure 1 of 1

<b>Reporting Source:</b>	Broker
<b>Court Details:</b>	STATE OF TEXAS VS JOSHUA LANKFORD, FELONY EVASION (SPEEDING IN AUTOMOBILE) DISTRICT COURT IN AND FOR DALLAS COUNTY, #705-53593
<b>Charge Date:</b>	08/01/2005
<b>Charge Details:</b>	1. 1 COUNT FELONY EVASION (SPEEDING IN AUTOMOBILE). 2. FELONY 3. NOT GUILTY 4. SPEEDING IN AUTOMOBILE, NOT INVESTMENT RELATED.
<b>Felony?</b>	Yes
<b>Current Status:</b>	Pending
<b>Status Date:</b>	



## Civil - Final

This type of disclosure event involves (1) an injunction issued by a court in connection with investment-related activity, (2) a finding by a court of a violation of any investment-related statute or regulation, or (3) an action brought by a state or foreign financial regulatory authority that is dismissed by a court pursuant to a settlement agreement.

### Disclosure 1 of 1

**Reporting Source:** Regulator  
**Initiated By:** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
**Relief Sought:** Injunction  
**Date Court Action Filed:** 02/10/2009  
**Product Type:** Penny Stock  
**Type of Court:** Federal Court  
**Name of Court:** U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF OKLAHOMA  
**Location of Court:** TULSA, OK  
**Docket/Case #:** 09 CV 061

### Employing firm when activity occurred which led to the action:

**Allegations:** SEC LITIGATION RELEASE 20892, FEBRUARY 10, 2009: SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AND RULE 10B-5 THEREUNDER AND SECTIONS 5(A), 5(C), AND 17(A) OF THE SECURITIES ACT OF 1933 - THE COMMISSION FILED A CIVIL ENFORCEMENT ACTION AGAINST JOSHUA LANKFORD FOR HIS ROLE IN A SCHEME TO DEFRAUD THE PUBLIC BY MANIPULATING THE SHARE PRICES OF THREE PENNY STOCKS (COLLECTIVELY REFERRED TO AS "TARGET STOCKS"). THE COMMISSION CHARGED LANKFORD WITH VIOLATING THE ANTIFRAUD AND STOCK REGISTRATION PROVISIONS OF THE UNITED STATES SECURITIES LAWS. ACCORDING TO THE COMPLAINT, LANKFORD, ACTING IN CONCERT WITH OTHER PERSONS, OBTAINED MARKET DOMINATION IN THE TARGET STOCKS; ENGAGED IN COORDINATED TRADING ACTIVITY, INCLUDING THE USE OF ILLEGAL MATCHED ORDERS; AND CREATED AND DISTRIBUTED TO THE PUBLIC DECEPTIVE PROMOTIONAL MATERIALS, ALL OF WHICH GENERATED THE FALSE APPEARANCE OF INVESTOR INTEREST IN THE TARGET STOCKS THEREBY ARTIFICIALLY INFLATING THE PRICES OF THE SHARES. THE COMPLAINT ALLEGES THAT DEFENDANT, ACTING IN CONCERT WITH OTHER PERSONS, SOLD SHARES OF THE SAME THREE TARGET STOCKS HE WAS RECOMMENDING THAT THE PUBLIC BUY. THIS



SCHEME IS COMMONLY REFERRED TO AS A "PUMP AND DUMP" BECAUSE THE PERPETRATORS ARTIFICIALLY INFLATE OR "PUMP" THE PRICE OF A STOCK AND THEN SELL THEIR OWN SHARES (THE "DUMP"), AT THE ARTIFICIALLY INFLATED "PUMPED" PRICE. DEFENDANT'S SCHEME TO DEFRAUD WAS PERPETRATED FROM THE SPRING OF 2005 THROUGH DECEMBER 2006 AND DERIVED ILLEGAL TRADING PROFITS TOTALING IN EXCESS OF \$20 MILLION.

**Current Status:** Final

**Resolution:** Judgment Rendered

**Resolution Date:** 07/27/2011

**Sanctions Ordered or Relief Granted:** Civil and Administrative Penalty(ies)/Fine(s)  
Disgorgement  
Injunction  
Monetary Penalty other than Fines  
Other: PERMANENTLY BARRED FROM PARTICIPATING IN AN OFFERING OF PENNY STOCK

#### Capacities 1 of 1

**Capacities Affected:** N/A

**Duration:** PERMANENT

**Start Date:** 07/27/2011

**End Date:**

#### Monetary Sanction 1 of 3

**Monetary Sanction:** Disgorgement

**Total Amount:** \$40,072,806.97

**Portion against individual:** 40072806.97

**Date Paid:**

**Portion Waived:** No

#### Amount Waived:

#### Monetary Sanction 2 of 3

**Monetary Sanction:** Monetary Fine / Civil Penalty

**Total Amount:** \$43,927,809.95

**Portion against individual:** 43927809.95



**Date Paid:**

**Portion Waived:** No

**Amount Waived:**

**Monetary Sanction 3 of 3**

**Monetary Sanction:** DISGORGEMENT PREJUDGMENT INTEREST

**Total Amount:** \$10,307,489.92

**Portion against individual:** 10307489.92

**Date Paid:**

**Portion Waived:** No

**Amount Waived:**

**Regulator Statement**

DEFAULT JUDGMENT RENDERED JULY 27, 2011 WHEREIN LANKFORD IS PERMANENTLY ENJOINED FROM VIOLATING SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5 THEREUNDER AND SECTIONS 5, 17(A) OF THE SECURITIES ACT. LANKFORD IS PERMANENTLY BARRED FROM PARTICIPATING IN AN OFFERING OF PENNY STOCK. LANKFORD IS LIABLE FOR DISGORGEMENT OF \$40,072,806.97, PREJUDGMENT INTEREST OF \$10,307,489.92, JOINTLY AND SEVERALLY. LANKFORD SHALL PAY A \$43,927,809.95 CIVIL PENALTY WITHIN 14 DAYS AFTER ENTRY OF THE DEFAULT DECISION.

## End of Report



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**U.S. District Court**  
**U.S. District Court for the Northern District of Oklahoma (Tulsa)**  
**CRIMINAL DOCKET FOR CASE #: 4:09-cr-00013-JHP-3**

Case title: USA v. Gordon et al

Date Filed: 01/15/2009

Date Terminated: 05/21/2013

Assigned to: Judge James H Payne

**Defendant (3)**

**Joshua Wayne Lankford**  
*TERMINATED: 05/21/2013*

represented by **James Michael Fatigante**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

*ATTORNEY TO BE NOTICED*  
*Designation: CJA or Other*  
*Appointment*

**Pending Counts**

18:1957(a) & 2(a) Money Laundering  
& aid & abet; 18:981, 982 & 28:2461(c)  
Forfeiture  
(20)

**Disposition**

BOP 84 months; SR 3 years; SMA  
\$100

**Highest Offense Level (Opening)**

Felony

**Terminated Counts**

18:371 Conspiracy & 18:981,982 &  
28:2461(c) Forfeiture  
(1)

**Disposition**

Dismissed at sentencing

18:1343 & 2(a) Wire Fraud & aid &  
abet, 18:981, 982 & 28:2461(c)  
Forfeiture  
(2-10)

Dismissed at sentencing

15:78j(b) & 78ff, 17:240.10b-5 & 18:2  
(a) Securities fraud & aid & abet;  
18:981, 982 & 28:2461(c) Forfeiture  
(11-15)

Dismissed at sentencing

18:1957(a) & 2(a) Money Laundering  
& aid & abet; 18:981, 982 & 28:2461(c)  
Forfeiture  
(16-19)

Dismissed at sentencing

18:1957(a) & 2(a) Money Laundering  
& aid & abet; 18:981, 982 & 28:2461(c)  
Forfeiture  
(21)

Dismissed at sentencing

**Highest Offense Level (Terminated)**

Felony

**Complaints**

None

**Disposition**

**Plaintiff**

USA

represented by **Andrew H Warren**

US Department of Justice (1400 NY  
AVE)

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**Catherine J Depew**

United States Attorney's Office (Tulsa)

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**Kevin Brian Muhlendorf**

US Department of Justice (1400 NY  
AVE)

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Email: kevin.muhlendorf@usdoj.gov

*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**Phil E Pinnell**  
 United States Attorney's Office (Tulsa)

[REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]

*TERMINATED:*  
*LEAD ATTORNEY*

**Thomas Scott Woodward**  
 United States Attorney's Office (Tulsa)

[REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]

*LEAD ATTORNEY*  
*ATTORNEY TO BE NOTICED*

**William Emmanuel Johnston**  
 US Department of Justice (1400 NY)

[REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]

*ATTORNEY TO BE NOTICED*

<b>Date Filed</b>	<b>#</b>	<b>Docket Text</b>
01/15/2009	<u>1</u>	DEFENDANT INFORMATION SHEET(S) by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (hbo, Dpty Clk) (Entered: 01/16/2009)
01/15/2009	<u>2</u>	SEALED INDICTMENT by USA as to George David Gordon (1) count(s) 1, 2-10, 11-15, 16-21, 22, 23, 24, Richard Clark (2) count(s) 1, 2-10, 11-15, 16-21, Joshua Wayne Lankford (3) count(s) 1, 2-10, 11-15, 16-21, Dean Sheptycki (4) count(s) 1, 2-10, 11-15, 16-21, James Reskin (5) count(s) 1, 2-10, 11-15, 16-21 (hbo, Dpty Clk) (Entered: 01/16/2009)
01/15/2009	<u>5</u>	WARRANT Issued by Court Clerk as to Joshua Wayne Lankford (hbo, Dpty Clk) (Entered: 01/16/2009)
01/20/2009	<u>8</u>	

		ATTORNEY APPEARANCE by Kevin Brian Muhlendorf as to USA (sjm, Dpty Clk) Modified on 1/21/2009 to correct title of event (lml, Dpty Clk). (Entered: 01/20/2009)
01/20/2009	<u>9</u>	ATTORNEY APPEARANCE by Andrew H Warren as to USA (sjm, Dpty Clk) Modified on 1/21/2009 to correct title of event (lml, Dpty Clk). (Entered: 01/20/2009)
01/21/2009		NOTICE of Docket Entry Modification; Error: These were filed using the incorrect event (Sealed Document); Correction: Edited docket text to reflect correct event (Appearance-USA) (Re: <u>9</u> Sealed Document, <u>8</u> Sealed Document ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (lml, Dpty Clk) (Entered: 01/21/2009)
01/26/2009	<u>10</u>	NOTICE of Related Case(s) by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (sjm, Dpty Clk) (Entered: 01/28/2009)
02/03/2009	<u>11</u>	MOTION to Unseal Document(s) <i>Indictment</i> (Re: <u>2</u> Sealed Indictment, ) by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (sjm, Dpty Clk) (Entered: 02/04/2009)
02/04/2009	<u>12</u>	ORDER by Judge Gregory K Frizzell, ruling on motion(s)/document(s): #11 granted (Re: <u>11</u> MOTION to Unseal Document(s) <i>Indictment</i> ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (sjm, Dpty Clk) (Entered: 02/04/2009)
02/06/2009	<u>13</u>	MOTION to Amend (Re: <u>2</u> Sealed Indictment, ) by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (sjm, Dpty Clk) (Entered: 02/09/2009)
02/09/2009	<u>14</u>	ORDER by Judge Gregory K Frizzell, ruling on motion(s)/document(s): #13 granted (Re: <u>13</u> MOTION to Amend ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (s-srb, Dpty Clk) (Entered: 02/09/2009)
02/09/2009		***Ruling on Motion(s) per [#14] by Judge Gregory K Frizzell: granting <u>13</u> Motion to Amend as to George David Gordon (1), Richard Clark (2), Joshua Wayne Lankford (3), Dean Sheptycki (4), James Reskin (5) (s-srb, Dpty Clk) (Entered: 02/09/2009)
02/10/2009		***Case Unsealed as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (crp, Dpty Clk) (Entered: 02/10/2009)
02/11/2009	22	MINUTE ORDER, reassigning case to Judge Terence Kern. Judge Gregory K Frizzell no longer assigned to case, changing case number to 09-cr-13-TCK as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (hbo, Dpty Clk) (Entered: 02/11/2009)
02/16/2009	<u>27</u>	ATTORNEY APPEARANCE (Retained) by Stephen J Knorr on behalf of James Reskin (Knorr, Stephen) (Entered: 02/16/2009)

02/17/2009	<u>29</u>	ATTORNEY APPEARANCE (Retained) by Thomas Orlo Gorman on behalf of George David Gordon (Gorman, Thomas) (Entered: 02/17/2009)
02/17/2009	<u>30</u>	ATTORNEY APPEARANCE (Retained) by William Peter McGrath, Jr on behalf of George David Gordon (McGrath, William) (Entered: 02/17/2009)
02/26/2009	<u>38</u>	Unopposed MOTION to Declare Case Complex Matter, Unopposed MOTION to Strike Hearing(s)/Deadline(s) (Re: 23 Scheduling Order,, Setting/Resetting Scheduling Order Date(s), Setting/Resetting Scheduling Order Date(s), 37 Scheduling Order,, Setting/Resetting Scheduling Order Date(s), Setting/Resetting Scheduling Order Date(s) ) by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Depew, Catherine) Modified on 1/25/2011 to unseal entry (pll, Dpty Clk). (Entered: 02/26/2009)
02/27/2009	<u>40</u>	MOTION for Protective Order by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Depew, Catherine) (Entered: 02/27/2009)
03/10/2009	<u>41</u>	ORDER by Judge Terence Kern, ruling on motion(s)/document(s): #38 granted, striking/terminating deadline(s)/hearing(s) (Re: <u>38</u> MOTION to Declare Case Complex Matter MOTION to Strike Hearing(s)/Deadline(s) MOTION to Strike Hearing(s)/Deadline(s) ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (cde, Dpty Clk) (Entered: 03/10/2009)
03/10/2009	<u>42</u>	ORDER by Judge Terence Kern ( <i>Protective Order</i> ), ruling on motion (s)/document(s): #40 granted (Re: <u>40</u> MOTION for Protective Order ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (cde, Dpty Clk) (Entered: 03/10/2009)
03/13/2009	<u>44</u>	WARRANT Returned Unexecuted as to Joshua Wayne Lankford (s-srb, Dpty Clk) (Entered: 03/13/2009)
03/13/2009	<u>46</u>	WARRANT Issued by Court Clerk as to Joshua Wayne Lankford (s-srb, Dpty Clk) (Entered: 03/13/2009)
03/16/2009	<u>48</u>	Unopposed MOTION for Hearing : <i>Status Report and Unopposed Motion for Scheduling Conference</i> by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Depew, Catherine) (Entered: 03/16/2009)
03/16/2009	<u>49</u>	RESPONSE in Opposition to Motion (Re: <u>48</u> Unopposed MOTION for Hearing : <i>Status Report and Unopposed Motion for Scheduling Conference</i> ) by George David Gordon as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Gorman, Thomas) (Entered: 03/16/2009)
05/11/2009	<u>51</u>	NOTICE Discovery Status Report by USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Warren, Andrew) (Entered: 05/11/2009)
06/22/2009	<u>52</u>	BILL OF PARTICULARS <i>FOR FORFEITURE OF PROPERTY</i> (Re: <u>2</u> Sealed Indictment, ) by USA as to George David Gordon, Richard Clark, Joshua

		Wayne Lankford, Dean Sheptycki, James Reskin (Depew, Catherine) (Entered: 06/22/2009)
10/01/2009	<u>64</u>	RESPONSE in Opposition to Motion (Re: 55 MOTION, 60 MOTION to Revoke Bond ) by George David Gordon as to George David Gordon (With attachments) (Gorman, Thomas) Modified on 10/2/2009 to remove defendants (lml, Dpty Clk). (Entered: 10/01/2009)
10/21/2009	<u>75</u>	MOTION for Leave to Exceed Page Limitation by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 10/22/2009 to remove names Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin as this pleading does not pertain to them (tjc, Dpty Clk). (Entered: 10/21/2009)
10/21/2009	<u>76</u>	MOTION to Seal Document(s) ( <i>seeking leave to file documents under seal</i> ) by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 10/22/2009 to remove names Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin as this pleading does not pertain to them (tjc, Dpty Clk). (Entered: 10/21/2009)
11/17/2009	<u>79</u>	SEALED MOTION (Gorman, Thomas) (Entered: 11/17/2009)
11/19/2009	<u>83</u>	MOTION to Accelerate/Extend/Reset Hearing(s)/Deadline(s) ( <i>to Stay Pretrial Schedule and for Continuance</i> ) by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 11/20/2009 to remove "as to" defendants that the pleading does not pertain to (tjc, Dpty Clk). (Entered: 11/19/2009)
11/25/2009	<u>88</u>	MOTION to Compel <i>Reciprocal Discovery</i> by USA as to George David Gordon, Richard Clark, James Reskin (With attachments) (Depew, Catherine) Modified on 11/30/2009 to delete "as to" parties not named in pleading (sac, Dpty Clk). (Entered: 11/25/2009)
11/25/2009	<u>89</u>	MOTION in Limine for <i>Pretrial Determination of Admissibility of Bank and Brokerage Records</i> by USA as to George David Gordon, Richard Clark, James Reskin (With attachments) (Depew, Catherine) Modified on 11/30/2009 to delete "as to" parties (sac, Dpty Clk). (Entered: 11/25/2009)
12/01/2009	94	MINUTE ORDER by Judge Terence Kern, referring motion(s) to Magistrate Judge Wilson (Re: <u>88</u> MOTION to Compel ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (vah, Chambers) (Entered: 12/01/2009)
12/04/2009	101	MINUTE ORDER by Judge Terence Kern, terminating motion referral(s) (Re: <u>88</u> MOTION to Compel ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (vah, Chambers) (Entered: 12/04/2009)
12/04/2009	102	MINUTE ORDER by Judge Terence Kern, referring motion(s) to Magistrate Judge McCarthy (Re: <u>88</u> MOTION to Compel ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (vah, Chambers) (Entered: 12/04/2009)
12/16/2009	<u>106</u>	SEALED DOCUMENT (Gorman, Thomas) (Entered: 12/16/2009)

12/17/2009	<u>107</u>	RESPONSE in Opposition to Motion (Re: <u>89</u> MOTION in Limine <i>for Pretrial Determination of Admissibility of Bank and Brokerage Records</i> ) by George David Gordon as to George David Gordon (With attachments) (Gorman, Thomas) Modified on 12/18/2009 to delete defendants that were selected in error (sac, Dpty Clk). (Entered: 12/17/2009)
12/17/2009	<u>108</u>	RESPONSE in Opposition to Motion (Re: <u>88</u> MOTION to Compel <i>Reciprocal Discovery</i> ) by George David Gordon as to George David Gordon (With attachments) (Gorman, Thomas) Modified on 12/18/2009 to delete defendants selected in error (sac, Dpty Clk). (Entered: 12/17/2009)
12/18/2009		NOTICE of Docket Entry Modification; Error: selected defendants in error; Correction: deleted defendants from text that were selected in error (Re: <u>107</u> Response in Opposition to Motion, <u>108</u> Response in Opposition to Motion, ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (sac, Dpty Clk) (Entered: 12/18/2009)
12/29/2009	111	MINUTE ORDER by Judge Terence Kern ( <i>Case to be Reassigned</i> ), striking/terminating deadline(s)/hearing(s) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (cfs, Dpty Clk) (Entered: 12/29/2009)
12/29/2009	<u>112</u>	MINUTE ORDER, reassigning case to Judge James H Payne. Judge Terence Kern no longer assigned to case, changing case number to 09-cr-13-JHP, recusing Judge Terence Kern, Judge James H Payne reassigned to case as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (cfs, Dpty Clk) (Entered: 12/29/2009)
12/29/2009	113	MINUTE ORDER by Judge James H Payne <i>in furtherance of conference call initiated this date with the Court by Catherine J. Depew and Andrew H. Warren (counsel for Government) and Allen M. Smallwood (counsel for Defendant Richard Clark) and pursuant to Minute Order (Docket Entry 111) dated this date STRIKING THE PRETRIAL CONFERENCE and JURY TRIAL DATES, take notice that this case will be set for STATUS CONFERENCE at a time and date to be determined by the Court</i> as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (LSA, Chambers) (Entered: 12/29/2009)
01/20/2010	121	MINUTE ORDER by Judge James H Payne : <i>striking the referral of Motion #88 to the Magistrate</i> , terminating motion referral(s) (Re: <u>88</u> MOTION to Compel ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (pll, Dpty Clk) (Entered: 01/20/2010)
02/12/2010	<u>135</u>	MOTION to Accelerate/Extend/Reset Hearing(s)/Deadline(s) (Re: 133 Order,, Setting/Resetting Scheduling Order Date(s), Setting/Resetting Scheduling Order Date(s) ) by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 2/16/2010 to remove defendants names that the pleading does not pertain to (tjc, Dpty Clk). (Entered: 02/12/2010)
02/12/2010	<u>136</u>	RESPONSE in Opposition to Motion (Re: <u>135</u> MOTION to Accelerate/Extend/Reset Hearing(s)/Deadline(s) MOTION to

		Accelerate/Extend/Reset Hearing(s)/Deadline(s) ) by USA as to George David Gordon (Warren, Andrew) Modified on 2/16/2010 to remove defendants names that the pleading does not pertain to (tjc, Dpty Clk). (Entered: 02/12/2010)
03/19/2010	<u>163</u>	JOINDER <i>in Motion to Dismiss Based on The Speedy Trial Act</i> (in 162 David Gordon and Richard Clark's Motion to Dismiss Based on the Speedy Trial Act and Memorandum in Support filed on 3/18/2010) by James Reskin as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Knorr, Stephen) Modified on 3/22/2010 to creat link to 162 (sac, Dpty Clk). (Entered: 03/19/2010)
03/22/2010	<u>164</u>	MOTION Number of Peremptory Challenges by James Reskin as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Knorr, Stephen) (Entered: 03/22/2010)
03/22/2010	<u>167</u>	MOTION for Additional Peremptory Challenges by George David Gordon, Richard Clark as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Gorman, Thomas) (Entered: 03/22/2010)
03/24/2010	<u>168</u>	TRANSCRIPT of Proceedings (Unredacted) of Pretrial/Motion Hearing held on 3/8/10 before Judge James H Payne (Court Reporter: Ken Sidwell) (Pages: 1-64). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 145 Minutes of Pretrial Conference, Minutes of Motion Hearing, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, James Reskin (kns, CrtRptr) Modified on 3/25/2010 to remove defendant names Joshua Wayne Lankford and Dean Sheptycki as transcript was not regarding those defendants (tjc, Dpty Clk). Modified on 6/22/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 03/24/2010)
03/24/2010	<u>169</u>	REPLY to Response to Motion (Re: 162 MOTION to Dismiss Based on Speedy Trial ) by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 3/25/2010 to remove defendant names Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin as the Reply was not regarding these defendants (tjc, Dpty Clk). (Entered: 03/24/2010)
03/25/2010	181	MINUTE ORDER by Judge James H Payne : <i>Granting Defendant Reskin leave to join in the pending Motion to Dismiss filed by Gordon and Clark, ruling on motion(s)/document(s): #163 Granted (Re: <u>163</u> JOINDER (in 162 David Gordon and Richard Clark's Motion to Dismiss Based on the Speedy Trial Act and Memorandum in Support filed on 3/18/2010)JOINDER (in 162 David Gordon and Richard Clark's Motion to Dismiss Based on the Speedy Trial Act and Memorandum in Support filed on 3/18/2010), 162 MOTION to Dismiss Based on Speedy Trial )</i> as to George David Gordon, Richard Clark,

		Joshua Wayne Lankford, Dean Sheptycki, James Reskin (pll, Dpty Clk) (Entered: 03/25/2010)
03/29/2010	<u>190</u>	PROPOSED JURY INSTRUCTIONS by George David Gordon (With attachments) (Gorman, Thomas) Modified on 3/30/2010 to remove defendant names Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin as this pleadings does not pertain to them (tjc, Dpty Clk). (Entered: 03/29/2010)
03/29/2010	<u>191</u>	TRIAL BRIEF by George David Gordon (Gorman, Thomas) Modified on 3/30/2010 to remove defendant names Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin as this pleadings does not pertain to them (tjc, Dpty Clk). (Entered: 03/29/2010)
03/29/2010	<u>192</u>	PROPOSED VOIR DIRE by George David Gordon (Gorman, Thomas) Modified on 3/30/2010 to remove defendant names Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin as this pleadings does not pertain to them (tjc, Dpty Clk). (Entered: 03/29/2010)
03/31/2010	<u>197</u>	OBJECTION to <i>Government's Exhibit List Witness List Demonstrative Exhibits and Summary Exhibits</i> by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 4/1/2010 to remove other defendants from entry (lml, Dpty Clk). (Entered: 03/31/2010)
05/27/2010	<u>241</u>	TRANSCRIPT of Proceedings (Unredacted) of Trial Testimony of Jason Freeman - Volume I held on 4/12/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1-117). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 209 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 9/15/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 05/27/2010)
05/27/2010	<u>242</u>	TRANSCRIPT of Proceedings (Unredacted) of Trial Testimony of Jason Freeman - Volume II held on 4/13/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 118-142). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 210 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) (sac, Dpty Clk). Modified on 9/15/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 05/27/2010)

05/27/2010	<u>243</u>	TRANSCRIPT of Proceedings (Unredacted) of Trial Testimony of Richard Singer - Volume I held on 4/14/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1-101). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 211 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 9/15/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 05/27/2010)
05/27/2010	<u>244</u>	TRANSCRIPT of Proceedings (Unredacted) of Trial Testimony of Richard Singer - Volume II held on 4/15/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 102-204). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 212 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 9/15/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 05/27/2010)
08/06/2010	<u>288</u>	Unopposed MOTION to Accelerate/Extend/Reset Hearing(s)/Deadline(s) <i>Extending Time to File Sentencing Memorandum and Motion</i> by George David Gordon as to George David Gordon (Gorman, Thomas) Modified on 8/9/2010 to remove text as to other defendants (lml, Dpty Clk). (Entered: 08/06/2010)
08/30/2010	<u>308</u>	ATTORNEY APPEARANCE (Retained) by Mark Byron Jennings on behalf of Kelley B Clark (Jennings, Mark) (Entered: 08/30/2010)
08/30/2010	<u>309</u>	ATTORNEY APPEARANCE (Retained) by Clark Otto Brewster on behalf of Kelley B Clark (Brewster, Clark) (Entered: 08/30/2010)
08/30/2010	<u>310</u>	ATTORNEY APPEARANCE (Retained) by Robert Russell Nigh, Jr on behalf of Kelley B Clark (Nigh, Robert) (Entered: 08/30/2010)
09/23/2010	<u>314</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Testimony of Jarom Gregory - Volume I held on 4/15/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1-73). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 212 Minutes of

		Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 12/22/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 09/23/2010)
09/25/2010	<u>316</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Testimony of Jarom Gregory - Volume II held on 4/16/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 74-243). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 213 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 12/27/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 09/25/2010)
09/26/2010	<u>317</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Testimony of Jarom Gregory - Volume III held on 4/26/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 244-454). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 214 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s)) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 12/27/2010 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 09/26/2010)
11/12/2010	<u>329</u>	NOTICE of Change of Address by Kevin Brian Muhlendorf by on behalf of USA as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (Muhlendorf, Kevin) (Entered: 11/12/2010)
01/05/2011	<u>361</u>	SEALED DOCUMENT (Depew, Catherine) (Entered: 01/05/2011)
01/18/2011	<u>368</u>	DESIGNATION of Record on Appeal (Re: 328 Notice of Appeal to Circuit Court ) by Richard Clark (With attachments) (Graham, Scott) Modified on 1/19/2011 to remove "as to" defendants selected in error (tjc, Dpty Clk). (Entered: 01/18/2011)
02/19/2011	<u>380</u>	TRANSCRIPT of Proceedings (Unredacted) of Pretrial Hearing - Volume I held on 4/5/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1-20). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy

		from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 202 Minutes of Voir Dire/Jury Selection Begun, 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>381</u>	TRANSCRIPT of Proceedings (Unredacted) of Pretrial Hearing - Volume II held on 4/5/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 21-54). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 202 Minutes of Voir Dire/Jury Selection Begun, 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>382</u>	TRANSCRIPT of Proceedings (Unredacted) of Voir Dire held on 4/5/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1-178) (Re: 328 Notice of Appeal to Circuit Court, 203 Minutes of Voir Dire/Jury Selection Held, 323 Notice of Appeal to Circuit Court ) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) (See Court Clerk to view this transcript) (Entered: 02/19/2011)
02/19/2011	<u>400</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume I held on 4/6/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1-304). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 204 Minutes of Jury Trial Begun, 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified 2/21/2011 to attach the PDF (lml, Dpty Clk). Modified on 6/1/2011 to correct the document type (a-hc, Dpty Clk). Modified on 6/2/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>383</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume II held on 4/7/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 305-577). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for

		redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 206 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 328 Notice of Appeal to Circuit Court, 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>384</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume III held on 4/8/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 578-831). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 207 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 2/22/2011 to correct page number (lml, Dpty Clk). Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>385</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume IV held on 4/9/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 831-1054). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 208 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>386</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume V held on 4/12/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1055-1274). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 209 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George

		David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>387</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume VI held on 4/13/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1275-1533). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 210 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>388</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume VII held on 4/14/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1534-1832). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 211 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>389</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume VIII held on 4/15/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 1833-2125). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 212 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>390</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume IX held on 4/16/2010 before Judge James H Payne (Court Reporter:

		Brian Neil) (Pages: 2126-2320). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 213 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>391</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume X held on 4/26/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 2321-2543). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 214 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>392</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume XI held on 4/27/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 2544-2667). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 215 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>393</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume XII held on 4/29/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 2668-2933). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for

		redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 217 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 328 Notice of Appeal to Circuit Court, 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>394</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume XIII held on 4/30/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 2934-2963). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 218 Minutes of Jury Trial Held, Setting/Resetting Scheduling Order Date(s), 328 Notice of Appeal to Circuit Court, 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
02/19/2011	<u>395</u>	TRANSCRIPT of Proceedings (Unredacted) of Jury Trial Proceedings - Volume XIV held on 5/3/2010 before Judge James H Payne (Court Reporter: Brian Neil) (Pages: 2964-2996). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: 328 Notice of Appeal to Circuit Court, 220 Minutes of Jury Trial Completed, Setting/Resetting Deadline(s)/Hearing(s), 323 Notice of Appeal to Circuit Court) as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (bpn, CrtRptr) Modified on 6/1/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 02/19/2011)
10/31/2011	<u>413</u>	AFFIDAVIT of Special Agent Jarom Gregory as to Joshua Wayne Lankford (jcm, Dpty Clk) (Entered: 10/31/2011)
10/31/2011	<u>414</u>	WARRANT Issued by Court Clerk as to Joshua Wayne Lankford (s-srt, Dpty Clk) (Entered: 11/01/2011)
10/31/2011	<u>415</u>	WARRANT Returned Unexecuted as to Joshua Wayne Lankford (s-srt, Dpty Clk) (Entered: 11/01/2011)
04/24/2012	<u>421</u>	SEALED MOTION (Depew, Catherine) (Entered: 04/24/2012)
05/23/2012	<u>423</u>	MOTION for Detention by USA as to Joshua Wayne Lankford (Depew, Catherine) Modified on 6/5/2012 to correct "by" and add "as to" (sac, Dpty Clk). (Entered: 05/23/2012)

05/23/2012	<u>424</u>	MOTION for Hearing ( <i>Detention</i> ) (Re: <u>423</u> MOTION for Detention ) by USA as to Joshua Wayne Lankford (Depew, Catherine) (Entered: 05/23/2012)
05/25/2012	<u>426</u>	MINUTES of Proceedings - held before Magistrate Judge Frank H McCarthy: Initial Appearance held on 5/25/2012, Arraignment held on 5/25/2012, appointing CJA attorney James Michael Fatigante for Joshua Wayne Lankford, ruling on motion(s)/document(s): #424 granted, setting/resetting deadline(s)/hearing(s): ( Detention Hearing set for 5/31/2012 at 09:30 AM before Magistrate Judge Frank H McCarthy), ordering defendant be detained as to Joshua Wayne Lankford (Re: <u>424</u> MOTION for Hearing ( <i>Detention</i> ) ) (Court Reporter: C1) (jcm, Dpty Clk) (Entered: 05/25/2012)
05/25/2012	<u>427</u>	ORDER by Magistrate Judge Frank H McCarthy, appointing CJA attorney as to Joshua Wayne Lankford (jcm, Dpty Clk) (Entered: 05/25/2012)
05/25/2012	<u>428</u>	ORDER by Magistrate Judge Frank H McCarthy, ordering defendant be detained as to Joshua Wayne Lankford (jcm, Dpty Clk) (Entered: 05/25/2012)
05/30/2012	<u>429</u>	SCHEDULING ORDER by Judge James H Payne ( <i>initial</i> ), setting/resetting scheduling order date(s): ( Motions due by 6/12/2012, Responses due by 6/22/2012, Pretrial Conference set for 6/27/2012 at 01:30 PM before Judge James H Payne, Jury Instructions, Voir Dire & Trial Briefs due by 7/13/2012, Jury Trial set for 7/23/2012 at 09:30 AM before Judge James H Payne) as to Joshua Wayne Lankford (pll, Dpty Clk) (Entered: 05/30/2012)
05/31/2012	<u>430</u>	MINUTES of Proceedings - held before Magistrate Judge Frank H McCarthy: Detention Hearing held on 5/31/2012 <i>and continued as follows</i> , striking/terminating deadline(s)/hearing(s), setting/resetting deadline (s)/hearing(s): ( Detention Hearing set for 6/6/2012 at 09:30 AM before Magistrate Judge Frank H McCarthy) as to Joshua Wayne Lankford (Court Reporter: C1) (jcm, Dpty Clk) (Entered: 05/31/2012)
06/05/2012	<u>431</u>	NOTICE to Court as to Joshua Wayne Lankford (Fatigante, James) (Entered: 06/05/2012)
06/06/2012	<u>432</u>	MINUTES of Proceedings - held before Magistrate Judge Frank H McCarthy: Detention Hearing held on 6/6/2012, striking/terminating deadline(s)/hearing (s), ruling on motion(s)/document(s): #423 granted as to Joshua Wayne Lankford (Re: <u>423</u> MOTION for Detention ) (Court Reporter: C2) (jcm, Dpty Clk) (Entered: 06/06/2012)
06/06/2012	<u>433</u>	ORDER by Magistrate Judge Frank H McCarthy, ordering defendant be detained as to Joshua Wayne Lankford (jcm, Dpty Clk) (Entered: 06/06/2012)
06/11/2012	<u>434</u>	Joint MOTION to Declare Case Complex by USA, Joshua Wayne Lankford as to Joshua Wayne Lankford (Depew, Catherine) (Entered: 06/11/2012)
06/12/2012	<u>435</u>	ORDER by Judge James H Payne : <i>striking the Scheduling Order</i> , ruling on motion(s)/document(s): #434 Granted, setting/resetting deadline(s)/hearing(s): ( Miscellaneous Hearing set for 9/25/2012 at 01:30 PM before Judge James H Payne) (Re: <u>434</u> Joint MOTION to Declare Case Complex ) as to Joshua Wayne Lankford (pll, Dpty Clk) (Entered: 06/12/2012)
06/18/2012	<u>436</u>	

		WARRANT Returned Executed as to Joshua Wayne Lankford (sdc, Dpty Clk) (Entered: 06/18/2012)
08/30/2012	<u>441</u>	SEALED MOTION (Fatigante, James) (Entered: 08/30/2012)
09/14/2012	<u>442</u>	SEALED DOCUMENT (Depew, Catherine) (Entered: 09/14/2012)
09/25/2012	<u>445</u>	MINUTES of Proceedings - held before Judge James H Payne: Miscellaneous Hearing held on 9/25/2012, setting/resetting deadline(s)/hearing(s): <i>additional status conference set</i> ( Miscellaneous Hearing set for 10/22/2012 at 01:30 PM before Judge James H Payne) as to Joshua Wayne Lankford (Court Reporter: Brian Neil) (pll, Dpty Clk) (Entered: 09/25/2012)
10/22/2012	<u>447</u>	MINUTES of Proceedings - held before Judge James H Payne: Miscellaneous Hearing held on 10/22/2012, <i>continued 30 days</i> , setting/resetting deadline (s)/hearing(s): ( Miscellaneous Hearing set for 11/19/2012 at 11:00 AM before Judge James H Payne) as to Joshua Wayne Lankford (Court Reporter: Brian Neil) (pll, Dpty Clk) (Entered: 10/22/2012)
11/08/2012	<u>450</u>	SEALED DOCUMENT (Fatigante, James) (Entered: 11/08/2012)
11/13/2012	<u>451</u>	SEALED DOCUMENT (Depew, Catherine) (Entered: 11/13/2012)
11/13/2012	<u>452</u>	MINUTE ORDER by Judge James H Payne : <i>Counsel Andrew Warren and Kevin Muhlendorf are directed to attend the 11/19/12 status hearing currently set</i> (Re: <u>447</u> Minutes of Miscellaneous Hearing,, Setting/Resetting Deadline (s)/Hearing(s), Setting/Resetting Deadline(s)/Hearing(s) ) as to Joshua Wayne Lankford (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 11/13/2012)
11/19/2012	<u>454</u>	MINUTES of Proceedings - held before Judge James H Payne: Miscellaneous Hearing held on 11/19/2012, setting/resetting deadline(s)/hearing(s): <i>additional status hearing set</i> ( Miscellaneous Hearing set for 12/17/2012 at 02:30 PM before Judge James H Payne) as to Joshua Wayne Lankford (Court Reporter: Brian Neil) (pll, Dpty Clk) (Entered: 11/19/2012)
12/04/2012	<u>455</u>	MINUTE ORDER by Judge James H Payne, referring case to Magistrate Judge Cleary for change of plea (felony), setting/resetting deadline(s)/hearing (s): ( Change of Plea Hearing set for 12/10/2012 at 02:30 PM before Magistrate Judge Paul J Cleary) as to Joshua Wayne Lankford (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 12/04/2012)
12/10/2012	<u>457</u>	MINUTES of Proceedings - held before Magistrate Judge Paul J Cleary: Change of Plea Hearing held on 12/10/2012, guilty plea entered, setting/resetting sentencing: ( Sentencing set for 3/26/2013 at 10:00 AM before Judge James H Payne) as to Joshua Wayne Lankford (Court Reporter: Ken Sidwell) (kjp, Dpty Clk) (Entered: 12/10/2012)
12/10/2012	<u>458</u>	CONSENT by Defendant to Proceed before a Magistrate Judge for Change of Plea (in Felony case) approved by Magistrate Judge Paul J Cleary as to Joshua Wayne Lankford (kjp, Dpty Clk) (Entered: 12/10/2012)
12/10/2012	<u>459</u>	

		PLEA AGREEMENT as to Joshua Wayne Lankford (kjp, Dpty Clk) (Entered: 12/10/2012)
12/10/2012	<u>460</u>	SEALED PLEA SUPPLEMENT (kjp, Dpty Clk) (Entered: 12/10/2012)
12/10/2012	<u>461</u>	WAIVER of Right to Trial by Jury approved by Magistrate Judge Paul J Cleary by Joshua Wayne Lankford (kjp, Dpty Clk) (Entered: 12/10/2012)
02/22/2013	<u>465</u>	MINUTE ORDER by Judge James H Payne : <i>Upon the oral request of government counsel</i> , setting/resetting sentencing: ( Sentencing set for 3/28/2013 at 10:00 AM before Judge James H Payne) as to Joshua Wayne Lankford (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 02/22/2013)
03/08/2013	<u>468</u>	MINUTE ORDER by Judge James H Payne : <i>all sentencing related motions and filings, including objections to the PSI, are due by 3/14/13</i> as to Joshua Wayne Lankford, James Reskin (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 03/08/2013)
03/11/2013	<u>469</u>	MOTION for Forfeiture <i>Agreed Order of Forfeiture Money Judgment</i> by USA as to Joshua Wayne Lankford (Depew, Catherine) (Entered: 03/11/2013)
03/14/2013	<u>470</u>	SEALED MOTION (Fatigante, James) (Entered: 03/14/2013)
03/15/2013	<u>473</u>	MINUTE ORDER by Judge James H Payne : <i>Granting the Sealed Motion</i> , ruling on motion(s)/document(s): #470 Granted, setting/resetting sentencing: ( Sentencing set for 5/20/2013 at 10:00 AM before Judge James H Payne) (Re: <u>470</u> SEALED MOTION ) as to Joshua Wayne Lankford (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 03/15/2013)
04/23/2013	<u>476</u>	MINUTE ORDER by Judge James H Payne : <i>Due to the Court's schedule</i> , setting/resetting sentencing: ( Sentencing set for 5/16/2013 at 10:00 AM before Judge James H Payne) as to Joshua Wayne Lankford (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 04/23/2013)
05/01/2013	<u>478</u>	SENTENCING MEMORANDUM by USA as to Joshua Wayne Lankford (Warren, Andrew) (Entered: 05/01/2013)
05/01/2013	<u>479</u>	MOTION for Point/Level Reduction by USA as to Joshua Wayne Lankford (Warren, Andrew) (Entered: 05/01/2013)
05/06/2013	<u>484</u>	SEALED MOTION (Fatigante, James) (Entered: 05/06/2013)
05/08/2013	<u>488</u>	SENTENCING MEMORANDUM <i>Regarding Restitution</i> by USA as to Joshua Wayne Lankford, James Reskin (With attachments) (Depew, Catherine) (Entered: 05/08/2013)
05/16/2013	<u>489</u>	ORDER by Judge James H Payne , ruling on motion(s)/document(s): #469 Granted, directing forfeiture of property/money (Re: <u>469</u> MOTION for Forfeiture <i>Agreed Order of Forfeiture Money Judgment</i> ) as to Joshua Wayne Lankford (pll, Dpty Clk) (Entered: 05/16/2013)
05/16/2013	<u>490</u>	

		MINUTES of Proceedings - held before Judge James H Payne: Sentencing held on 5/16/2013 , ruling on motion(s)/document(s): #474 Granted, #484 Granted in part, Denied in part, striking/terminating deadline(s)/hearing(s) as to Joshua Wayne Lankford (Re: <u>479</u> MOTION for Point/Level Reduction , <u>484</u> SEALED MOTION ) (Court Reporter: Brian Neil) (pll, Dpty Clk) (Entered: 05/16/2013)
05/21/2013	<u>494</u>	JUDGMENT AND COMMITMENT by Judge James H Payne , entering judgment (Documents Terminated: <u>441</u> SEALED MOTION ) as to Joshua Wayne Lankford (pll, Dpty Clk) (Entered: 05/21/2013)
05/29/2013	<u>496</u>	ATTORNEY APPEARANCE by Phil E Pinnell on behalf of USA (Pinnell, Phil) (Entered: 05/29/2013)
06/04/2013	<u>498</u>	WAIVER of Appeal by Joshua Wayne Lankford (With attachments) (Fatigante, James) (Entered: 06/04/2013)
06/05/2013	<u>499</u>	MOTION to Amend by Joshua Wayne Lankford (Fatigante, James) (Entered: 06/05/2013)
06/12/2013	500	MINUTE ORDER by Judge James H Payne : <i>Based on the BOP's designation of defendant</i> , ruling on motion(s)/document(s): #499 moot (Re: <u>494</u> Judgment and Commitment, Entering Judgment, <u>499</u> MOTION to Amend ) as to Joshua Wayne Lankford (This entry is the Official Order of the Court. No document is attached.) (pll, Dpty Clk) (Entered: 06/12/2013)
01/29/2014	512	MINUTE ORDER by Court Clerk <i>pursuant to General Order 14-1</i> , adding attorney Thomas Scott Woodward for USA terminating attorney Phil E Pinnell as to George David Gordon, Richard Clark, Joshua Wayne Lankford, Dean Sheptycki, James Reskin (This entry is the Official Order of the Court. No document is attached.) (hc-ad, Dpty Clk) (Entered: 01/29/2014)

PACER Service Center			
Transaction Receipt			
01/14/2015 14:17:21			
<b>PACER Login:</b>	us8734:2719944:4043519	<b>Client Code:</b>	
<b>Description:</b>	Docket Report	<b>Search Criteria:</b>	4:09-cr-00013-JHP
<b>Billable Pages:</b>	15	<b>Cost:</b>	1.50

**SEALED**

**FILED**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

JAN 15 2009

Phyllis Lombardi, Clerk  
U.S. DISTRICT COURT

UNITED STATES OF AMERICA )

Plaintiff, )

v. )

GEORGE DAVID GORDON )

a/k/a G. David Gordon, )

a/k/a David Gordon; )

RICHARD CLARK )

a/k/a Rick Clark; )

JOSHUA WAYNE LANKFORD; )

DEAN SHEPTYCKI; and )

JAMES RESKIN, )

Defendants. )

Case No. **09 CR 013 GKF**

FILED UNDER SEAL

INDICTMENT

[18 U.S.C. § 371: Conspiracy;  
18 U.S.C. § 1343: Wire Fraud;  
18 U.S.C. § 2(a): Aiding and Abetting;  
15 U.S.C. §§ 78j(b), 78ff and 17 C.F.R.  
§ 240.10b-5: Securities Fraud;  
18 U.S.C. § 1957(a): Money Laundering;  
18 U.S.C. § 1001: False Statements;  
18 U.S.C. § 1512(c)(2): Obstruction of  
Justice; and  
18 U.S.C. §§ 981(a)(1)(C) and  
982; 28 U.S.C. § 2461(C):  
Criminal Forfeiture]

**THE GRAND JURY CHARGES THAT:**

COUNT ONE  
[18 U.S.C. § 371]

INTRODUCTION

PERSONS AND ENTITIES

At times relevant to this Indictment:

1. National Storm Management Group, Inc. ("NLST") was a Nevada corporation with its principal place of business in Glen Ellyn, Illinois. NLST purportedly engaged in the business of storm reconstruction, specializing in residential home repair from the effects of

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wind and hail damage. NLST became a publicly-traded company in 2005 as a result of a merger between a privately held company named National Storm Management and a company named "18th Letter, Inc.," a shell company that had no assets or revenue but had stock available for public trading. The common stock of NLST was traded under the symbol "NLST" and was quoted on the Pink Sheets, a quotation service for over-the-counter stocks.

2. Deep Rock Oil and Gas, Inc. ("DPRK") was a Nevada corporation with its principal place of business in Tulsa, Oklahoma. DPRK purportedly engaged in the oil and natural gas industry, specializing in developing fields for oil and gas production. DPRK became a publicly traded company on or about November 23, 2004 as a result of a merger between a privately held company named "Deep Rock Oil and Gas LLC" and a shell company named "Cherokee Energy Services of Tulsa, Inc.," that had no assets or revenue but had stock available for public trading. The common stock of DPRK was traded under the symbol "DPRK" and was quoted on the Pink Sheets.

3. Global Beverage Solutions, Inc. ("GBVS") was a Nevada corporation with its principal place of business in Tulsa, Oklahoma. GBVS purportedly engaged in the business of distributing specialty beverages. GBVS was a publicly traded company that was formerly known as "Pacific Peak Investments" ("PPKI") until changing its name to GBVS on or about October 10, 2005. The common stock of GBVS was traded under the symbol "GBVS" and was quoted on the Pink Sheets.

4. International Power Group, Ltd. ("IPWG") was a Delaware corporation with its principal place of business in New Jersey. IPWG was purportedly engaged in the

development of environmentally friendly practices and technologies. IPWG became a publicly traded company on or about October 5, 2004, as a result of a merger between a privately held company named "International Power Group, Inc.," and a company named "EdNet, Inc." The common stock of IPWG was traded under the symbol "IPWG" and was quoted on the Pink Sheets.

5. Defendant **GEORGE DAVID GORDON**, also known as G. David Gordon and David Gordon, was a licensed attorney who resided in Tulsa, Oklahoma. **GORDON** facilitated the issuance of free trading shares of the stock of NLST, DPRK, GBVS and IPWG while also beneficially owning and controlling accounts for the receipt, purchase, and sale of stock of NLST, DPRK, GBVS and IPWG.

6. Defendant **RICHARD CLARK**, also known as Rick Clark, resided in Tulsa, Oklahoma. **CLARK** facilitated issuing free trading shares of the stock of NLST, DPRK and GBVS, while also beneficially owning and controlling accounts for the receipt, purchase, and sale of stock of NLST, DPRK and GBVS.

7. Defendant **JOSHUA LANKFORD** was a licensed stock broker and part-owner of a brokerage firm called Barron Moore, who resided in Dallas, Texas. **LANKFORD** beneficially owned and controlled accounts for the receipt, purchase, and sale of stock of NLST, DPRK and GBVS.

8. Defendant **DEAN SHEPTYCKI** was a stock promoter who resided in Florida and the Bahamas. **SHEPTYCKI** promoted the stock of NLST, DPRK and GBVS while also

beneficially owning and controlling accounts for the receipt, purchase, and sale of stock of NLST, DPRK and GBVS.

9. Defendant **JAMES RESKIN** was a licensed attorney who resided in Louisville, Kentucky. **RESKIN** facilitated issuing free trading shares of stock of GBVS while also beneficially owning and controlling accounts for the receipt, purchase, and sale of stock of GBVS.

#### **PUMP AND DUMP SCHEMES**

10. A pump and dump scheme involves the artificial manipulation of the price and volume of a particular stock in order to later sell that stock at an artificially inflated price. Generally, the perpetrators of a pump and dump scheme obtain control over a substantial portion of free trading shares of the company. Free trading shares are shares of stock that the owner can trade without restriction on a national exchange, e.g., the New York Stock Exchange or NASDAQ, or are traded in the over-the-counter market via the Pink Sheets. To obtain the free trading shares, the perpetrators may orchestrate a reverse merger, which occurs when a privately held company with no publicly traded stock merges with a publicly listed shell company that has no assets or revenue but has stock available for public trading, resulting in a public company. The pump usually involves artificially inflating a company's stock price by engaging in coordinated trading of the stock in order to create the appearance of a more active market for that stock. The pump also usually involves disseminating false and misleading promotional materials—unsolicited advertisements touting a particular stock and encouraging others to purchase the stock, which are often sent to millions of recipients

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by fax or email “blasts.” After pumping the stock, the perpetrators dump their shares, meaning they sell large volumes of the shares that they own and control to unsuspecting investors. The dumping often occurs soon after the dissemination of the promotional materials touting the particular company. The perpetrators of a pump and dump scheme will often “park” their shares by depositing or transferring them into different accounts, including nominees’ accounts, and then trade the manipulated stock using the different accounts in order to conceal their trading activity.

11. The United States Securities and Exchange Commission (the “SEC”) is an independent agency of the United States responsible for enforcing federal securities laws, which are designed to provide the investing public with full disclosure of all material facts regarding matters involving the offer, purchase, and sale of securities. These laws protect the investing public in the purchase of stock that is publicly distributed by maintaining fair and honest security markets and eliminating manipulative practices that tend to distort the fair and just price of stock.

#### THE CONSPIRACY AND ITS OBJECTS

12. From in or about April 2004 until in or about December 2006, the exact dates being unknown to the Grand Jury, in the Northern District of Oklahoma and elsewhere, defendants **GEORGE DAVID GORDON, RICHARD CLARK, JOSHUA LANKFORD, DEAN SHEPTYCKI, JAMES RESKIN**, and others, both known and unknown to the Grand Jury, willfully and knowingly combined, conspired, confederated and agreed to commit offenses against the United States of America, to wit: (a) securities fraud, in violation

of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5, (b) wire fraud, in violation of Title 18, United States Code, Section 1343, and (c) money laundering in violation of Title 18, United States Code, Section 1957(a).

**PURPOSE OF THE CONSPIRACY**

13. It was a purpose of the conspiracy that the defendants would and did enrich themselves through the fraudulent manipulation of various stocks, including the stocks of NLST, DPRK and GBVS.

**MANNER AND MEANS OF THE CONSPIRACY**

14. Defendants used the following manner and means, among others, to accomplish the objects and purpose of the conspiracy:

a. Defendants and their co-conspirators would and did gain control and ownership of free trading shares of stock, in part, through the use of reverse mergers and through the use of false and misleading documents, including false and misleading opinion letters that facilitated the removal of trading restrictions on the shares of stock;

b. Defendants and their co-conspirators would and did conceal their control and ownership of free trading shares of stock, in part, by parking their shares using various nominee accounts;



h. Defendants and their co-conspirators would and did misrepresent and conceal from the SEC information which disclosed their control and ownership of stock and involvement in the dissemination of promotional materials.

**OVERT ACTS**

15. In furtherance of the conspiracy and to accomplish the objects thereof, the defendants committed and caused to be committed, the following overt acts, among others, within the Northern District of Oklahoma and elsewhere:

**Gaining and Concealing Control and Ownership of NLST, DPRK and GBVS**

16. On or about September 9, 2004, **GORDON** caused to be opened a brokerage account in the name of "G. David Gordon & Associates Escrow."

17. On or about September 16, 2004, **GORDON** caused a false opinion letter to be issued regarding NLST that facilitated the removal of trading restrictions on the shares of NLST beneficially owned and controlled by the defendants.

18. On or about September 16, 2004, **GORDON** received 250,000 shares of NLST into a trust account that he beneficially owned and controlled.

19. On or about March 30, 2005, **GORDON** authored a false opinion letter regarding the purportedly originally issued shares of a company known as "18th Letter, Inc."

20. On or about April 15, 2005, **LANKFORD** caused to be opened a brokerage account in the name of "Evervital."

21. On or about April 25, 2005, **GORDON** caused a false opinion letter dated November 23, 2004 to be sent to DPRK's transfer agent directing the removal of trading restrictions on all the shares of DPRK beneficially owned and controlled by the defendants.

22. On or about April 25, 2005, **CLARK** obtained 26.75 million shares of DPRK for himself and his relatives.

23. On or about May 5, 2005, **CLARK** caused to be opened a brokerage account in the name of "Caliente Consulting, Inc."

24. On or about June 9, 2005, **GORDON** caused to be deposited four million shares of GBVS into a brokerage account that he beneficially owned and controlled.

25. On or about June 13, 2005, **RESKIN** caused to be deposited one million shares of GBVS into a brokerage account that he beneficially owned and controlled.

26. On or about July 1, 2005, **GORDON** caused to be sent a false and misleading letter to Pink Sheets LLC regarding the tradability of the shares of DPRK.

27. On or about July 8, 2005, **GORDON** obtained 5.5 million shares of GBVS.

28. On or about July 11, 2005, **RESKIN** caused to be deposited 3.8 million shares of GBVS into a brokerage account that he beneficially owned and controlled.

29. On or about September 14, 2005, **RESKIN** authored a false and misleading letter addressed to the Chief Financial Officer of GBVS stating that **RESKIN** represented and had consulted with twenty-six shareholders (accounting for 60% of the outstanding shares) who were prepared to remove the officers of GBVS.

30. On or about September 13, 2005, **RESKIN** caused **CLARK** to be installed as President and Chief Executive Officer of GBVS.

**The Pump**

31. On or about August 16, 2005, **CLARK** purchased 11,000 shares of DPRK and also sold 11,000 shares of DPRK in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Transaction</u>	<u>Price per share</u>	<u>Account</u>
Sold 11,000 shares	\$0.07	Barron Moore #####-5267
Purchased 5,000 shares	\$0.08	Charles Schwab #####-6156
Purchased 6,000 shares	\$0.08	Ameritrade #####-7111

32. On or about August 25, 2005, **GORDON** purchased 10,500 shares of NLST in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Transaction</u>	<u>Price Per Share</u>	<u>Account</u>
Purchased 7,500 shares	\$0.54-\$0.55	Scottrade #####-3873
Purchased 3,000 shares	\$0.54	Scottrade #####-1963

33. Between on or about August 31, 2005 and September 15, 2005, the defendants caused to be disseminated the following types of false and misleading promotional materials touting NLST:

<u>Date of Promotion</u>	<u>Type of Promotion</u>
August 31, 2005	Fax blast
September 1, 2005	Fax blast
September 6, 2005	Fax blast
September 12, 2005	Email blast
September 15, 2005	Email blast

34. On or about September 2, 2005, **GORDON** caused to be wired \$50,000 to an account beneficially owned and controlled by **SHEPTYCKI** to pay for certain fax blasts touting NLST.

35. On or about September 7, 2005, **RESKIN** caused to be wired \$1,000 to pay for the creation of certain email blasts touting NLST.

36. From on or about September 11, 2005 until on or about October 14, 2005, the defendants caused to be disseminated the following types of false and misleading promotional materials touting DPRK:

<u>Date of Promotion</u>	<u>Type of Promotion</u>
September 11, 2005	Fax blast
September 13, 2005	Fax blast
September 14, 2005	Fax blast
September 16, 2005	Fax blast
September 22, 2005	Fax blast
September 22, 2005	Email blast

<u>Date of Promotion</u>	<u>Type of Promotion</u>
September 28, 2005	Email blast
October 7, 2005	Email blast
October 10, 2005	Email blast
October 14, 2005	Email blast

37. On or about September 19, 2005, **GORDON** caused to be wired \$112,500 to an account beneficially owned and controlled by **SHEPTYCKI** for payments of certain fax blasts touting DPRK.

38. From on or about November 29, 2005 until on or about December 29, 2005, the defendants caused to be disseminated the following types of false and misleading promotional materials touting GBVS:

<u>Date of Promotion</u>	<u>Type of Promotion</u>
November 29, 2005	Fax blast
December 1, 2005	Fax blast
December 7, 2005	Fax blast
December 14, 2005	Email blast
December 20, 2005	Email blast
December 29, 2005	Email blast

39. On or about December 13, 2005, **GORDON** caused to be transferred 1.25 million shares of GBVS to an account beneficially owned and controlled by **SHEPTYCKI** to pay for certain fax blasts touting GBVS.

40. On or about January 30, 2006, **GORDON** approved a false and misleading advertising brochure promoting DPRK.

41. On or about March 6, 2006, **CLARK** approved a false and misleading advertising brochure promoting GBVS.

### The Dump

42. From on or about September 1, 2005 until on or about September 15, 2005, **GORDON** sold shares of NLST in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Date of Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount of Proceeds</u>	<u>Account</u>
09/01/05	10,000	\$1.11-\$1.24	\$ 11,964.97	Scottrade ####-4228
09/02/05	20,000	\$1.84-\$1.94	\$37,895.38	Scottrade ####-4228
09/02/05	9,000	\$1.64-\$1.69	\$15,060.33	Scottrade ####-3873
09/06/05	70,000	\$2.47-\$3.14	\$190,146.07	Scottrade ####-4228
09/15/05	10,500	\$2.13-\$2.35	\$23,748.45	Scottrade ####-3873

43. From on or about September 12, 2005 until on or about September 23, 2005, **CLARK** sold shares of DPRK in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Date of Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount of Proceeds</u>	<u>Account</u>
09/12/05	136,500	\$0.21-\$0.22	\$ 29,758.84	Charles Schwab ####-6156
09/22/05	158,700	\$0.87-\$0.98	\$149,172.65	Charles Schwab ####-6156
09/23/05	180,000	\$1.05-\$1.11	\$194,418.59	Charles Schwab ####-6156

44. From on or about September 14, 2005 until on or about September 16, 2005, **SHEPTYCKI** sold shares of DPRK in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Date of Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount of Proceeds</u>	<u>Account</u>
09/14/05	22,500	\$0.35-\$0.46	\$ 9,158.06	Meeting Street ####-0100
09/15/05	80,000	\$0.40-\$0.41	\$31,450.79	Meeting Street ####-0100
09/16/05	17,500	\$0.43	\$7,373.42	Meeting Street ####-0100

45. On or about October 17 and 18, 2005, **LANKFORD** sold shares of DPRK in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Date of Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount of Proceeds</u>	<u>Account</u>
10/17/05	82,800	\$0.54	\$44,311.95	Barron Moore ####-3548
10/18/05	78,500	\$0.52	\$40,907.50	Barron Moore ####-3548

46. From on or about December 7, 2005 until on or about December 30, 2005, **GORDON** sold shares of GBVS in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Date of Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount of Proceeds</u>	<u>Account</u>
12/07/05	165,000	\$0.85	\$140,449.98	Barron Moore ####-3480
12/19/05	369,508	\$0.90	\$331,681.10	Barron Moore ####-3480
12/20/05	404,100	\$0.96	\$386,682.32	Barron Moore ####-3480
12/22/05	164,400	\$1.05	\$163,831.02	Barron Moore ####-3480
12/23/05	471,000	\$1.20	\$567,022.10	Barron Moore ####-3480
12/27/05	363,300	\$1.26	\$459,191.06	Barron Moore ####-3480
12/29/05	200,000	\$1.39	\$277,219.04	Barron Moore ####-3480
12/30/05	267,701	\$1.53	\$409,635.38	Barron Moore ####-3480

47. From on or about December 1, 2005 until on or about January 4, 2006, **RESKIN** sold shares of GBVS in brokerage accounts that he beneficially owned and controlled, in the following transactions:

<u>Date of Sale</u>	<u>Number of Shares</u>	<u>Price Per Share</u>	<u>Amount of Proceeds</u>	<u>Account</u>
12/01/05	20,000	\$0.73	\$14,290.89	Olympus ####-8302
12/15/05	25,000	\$0.82	\$20,190.63	Olympus ####-8302
12/20/05	19,008	\$0.96	\$17,948.20	Olympus ####-8302
12/22/05	11,000	\$1.03	\$11,168.25	Olympus ####-8302
12/23/05	10,000	\$1.20	\$11,856.13	Olympus ####-8302
12/30/05	10,000	\$1.64	\$16,093.99	Olympus ####-8302
01/03/06	20,000	\$1.84	\$36,478.36	Olympus ####-8302
01/04/06	10,000	\$1.98	\$19,552.89	Olympus ####-8302

**The Cover-Up**

48. On or about September 20, 2005, **GORDON** made false and misleading statements to the SEC, including denying knowledge of fax blasts promoting DPRK.

49. On or about March 26, 2006, **GORDON** caused to be sent a false and misleading letter to Mortgage Max, LLC regarding fax blasts promoting DPRK.

50. On or about September 21, 2006, **GORDON** caused to be sent a false and misleading letter to a claims officer in the United States Air Force regarding fax blasts promoting GBVS.

51. On or about October 25, 2006, **CLARK** testified falsely under oath before the SEC regarding Caliente Consulting, Inc. and regarding dispositions of DPRK stock that he caused to be made.

All in violation of Title 18, United States Code, Section 371.

**COUNTS TWO THROUGH TEN**  
**[18 U.S.C. §§ 1343 and 2(a)]**

52. The allegations set forth in paragraphs 1-11 and 13-51 of Count One of this Indictment are re-alleged and incorporated herein by reference.

53. From in or about April 2004 until in or about December 2006, the exact dates being unknown to the Grand Jury, in the Northern District of Oklahoma, and elsewhere, defendants **GEORGE DAVID GORDON, RICHARD CLARK, JOSHUA LANKFORD, DEAN SHEPTYCKI** and **JAMES RESKIN**, having devised and intending to devise the scheme and artifice to defraud alleged in paragraphs 1-11 and 13-51 of this Indictment, did transmit and cause to be transmitted by means of wire communications in interstate commerce, writings, signs, signals, and sounds for the purpose of executing such scheme and artifice, as follows:

<u>Count</u>	<u>Date</u>	<u>Wire Transmission</u>	<u>From</u>	<u>To</u>
2	09/17/04	Facsimile of opinion letter regarding trading restrictions on NLST stock	Tulsa, OK	Dallas TX
3	04/25/05	Facsimile of opinion letter regarding trading restrictions on DPRK stock	Tulsa, OK	Dallas, TX
4	08/29/05	Email of payment instructions for fax blast promoting NLST	Ft. Lauderdale, FL	Tulsa, OK
5	09/09/05	Wire transfer for payment of email blast promoting NLST	Tulsa, OK	Houston, TX

<u>Count</u>	<u>Date</u>	<u>Wire Transmission</u>	<u>From</u>	<u>To</u>
6	09/20/05	Wire transfer for payment of email blast promoting DPRK	Tulsa, OK	Houston, TX
7	11/23/05	Facsimile of letter regarding transfer of GBVS shares	Tulsa, OK	Dallas, TX
8	12/30/05	Facsimile of opinion letter regarding trading restrictions on GBVS stock	Tulsa, OK	Plano, TX
9	01/30/06	Facsimile of letter approving DPRK advertising brochure	Tulsa, OK	Moline, IL
10	03/10/06	Facsimile of letter approving GBVS advertising brochure	Tulsa, OK	Moline, IL

In violation of Title 18, United States Code, Sections 1343 and 2(a).

**COUNTS ELEVEN THROUGH FIFTEEN**

**[15 U.S.C. §§ 78j(b), 78ff and 17 C.F.R. § 240.10b-5; 18 U.S.C. § 2(a)]**

54. The allegations set forth in paragraphs 1-11 and 13-51 of Count One of this Indictment are re-alleged and incorporated herein by reference.

55. From in or about April 2004 until in or about December 2006, the exact dates being unknown to the Grand Jury, in the Northern District of Oklahoma and elsewhere, defendants **GEORGE DAVID GORDON, RICHARD CLARK, JOSHUA LANKFORD, DEAN SHEPTYCKI** and **JAMES RESKIN**, willfully and knowingly, directly and indirectly by use of means and instrumentalities of interstate commerce, the mails, wires, and facilities of national securities exchanges, would and did use and employ, manipulative and deceptive devices and contrivances as set forth in paragraphs 1-11 and 13-51 of this Indictment in connection with the purchase and sale of securities, that is, the shares of stock listed below, by (a) employing devices, schemes, and artifices to defraud, (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon a person in connection with the purchase and sale of the stock, as listed below, on or about the dates stated below:

<u>Count</u>	<u>Date</u>	<u>Shares Sold</u>	<u>Price Per Share</u>	<u>Sale Proceeds</u>	<u>Account</u>
<b>11</b>	09/06/05	70,000 shares of NLST	\$2.47-\$3.14	\$190,146.07	Scottrade ####-4228
<b>12</b>	09/22/05	158,700 shares of DPRK	\$0.87-\$0.98	\$149,172.65	Schwab ####-6156
<b>13</b>	09/26/05	10,500 shares of DPRK	\$1.11	\$11,626.49	Scottrade ####-1963
<b>14</b>	12/23/05	471,000 shares of GBVS	\$1.20	\$538,398.04	Barron Moore ####-3480
<b>15</b>	12/27/05	363,300 shares of GBVS	\$1.26	\$436,017.34	Barron Moore ####-3480

In violation of Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18 United States Code, Section 2(a).

**COUNTS SIXTEEN THROUGH TWENTY-ONE**  
**[18 U.S.C. §§ 1957(a) and 2(a)]**

56. The allegations set forth in paragraphs 1-11 and 13-51 of Count One of this Indictment are re-alleged and incorporated herein by reference.

57. On or about the dates below, in the Northern District of Oklahoma, defendants **GEORGE DAVID GORDON, RICHARD CLARK, JOSHUA LANKFORD, DEAN SHEPTYCKI and JAMES RESKIN**, did knowingly engage and attempt to engage in the following monetary transactions in criminally derived property of a value greater than \$10,000.00, which was derived from specified unlawful activities as provided in Title 18, United States Code, Section 1956(c)(7), incorporating Title 18 United States Code, Section 1961(1), to-wit: wire fraud and fraud in the sale of securities:

<u>Count</u>	<u>Date</u>	<u>Amount</u>	<u>Monetary Transaction</u>	<u>From</u>	<u>To</u>
16	08/08/05	\$140,000	Wire transfer	PNC Bank ####-7539	Bank of America ####-2452
17	09/19/05	\$112,500	Wire transfer	Bank of America ####-2452	CitiBank ####-8034
18	12/12/05	\$245,000	Wire transfer	PNC Bank ####-9589	Bank of America ####-2452
19	12/21/05	\$330,000	Wire transfer	PNC Bank ####-9589	Bank of America ####-2452
20	05/25/06	\$250,000	Wire transfer	Bank of America ####-1601	Bank of America ####-2452
21	07/20/06	\$120,000	Wire transfer	Bank of America ####-2452	Bank of America ####-1601

In violation of Title 18, United States Code, Sections 1957(a) and 2(a).

**FORFEITURE ALLEGATION**

**[18 U.S.C. §§ 981(a)(1)(C) and 982 and 28 U.S.C. § 2461(c)]**

58. The allegations contained in Counts One through Twenty-One of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Sections 981(a)(1)(C) and 982 and Title 28 United States Code, Section 2461(c). Upon conviction of the conspiracy, wire fraud, securities fraud and money laundering alleged in Counts One through Twenty-One of this Indictment, as part of their sentence, defendants **GEORGE DAVID GORDON, RICHARD CLARK, JOSHUA LANKFORD, DEAN SHEPTYCKI and JAMES RESKIN**, shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to such offenses, and any property involved in money laundering, and any property traceable to such property, including the following: (1) all money or other property that was the subject of each transaction, transportation, transmission or transfer in violation of Section 1957(a); (2) all commissions, fees and other property constituting proceeds obtained as a result of those violations; and (3) all property used in any manner or part to commit or to facilitate the commission of those violations, including but not limited to the following:

**a. MONEY JUDGMENT:**

A sum of money equal to \$41,383,350 in United States Currency, representing proceeds obtained as a result of the conspiracy, wire fraud, securities fraud and money laundering alleged in Counts One through Twenty-One of this Indictment, for which the defendants shall be jointly and severally liable.

**b. SUBSTITUTE ASSETS:**

Pursuant to Title 21, United States Code, Section 853(p), the defendants shall forfeit substitute property, up to the value of the proceeds described above, if, by any act or omission of the defendant, the proceeds described above, or any portion thereof, cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been co-mingled with other property which cannot be divided without difficulty, including, but not limited to:

- i. Proceeds of Bank of America Account No. #####-█████, in the amount of \$145,141.26;
- ii. Proceeds of Bank of America Account No. #####-█████, in the amount of \$171,726.82; and
- iii. Proceeds of Arvest Bank Account No. #####-█████ in the amount of \$215,758.53
- iv. Real Property commonly known as 10726 South Lakewood Avenue, Tulsa, Tulsa County, Oklahoma, more particularly described as follows-to-wit:

Lot One (1), Block Two (2), THE GATES AT FOREST PARK, a Subdivision in the City of Tulsa, Tulsa County, State of Oklahoma, according to the recorded Plan No. 5487, together with all appurtenances, improvements, and attachments thereon.

All in accordance with Title 18, United States Code, Sections 981 and 982 and Title 28, United States Code, Section 2461(c), and Rule 32.2 of the Federal Rules of Criminal Procedure.

**COUNT TWENTY-TWO**  
**[18 U.S.C. § 1001]**

59. The allegations set forth in paragraphs 1-11 and 13-51 of Count One of this Indictment are re-alleged and incorporated herein by reference.

60. On or about September 20, 2005, in the Northern District of Oklahoma, defendant **GEORGE DAVID GORDON** knowingly and willfully made and caused to be made, a materially false, fictitious and fraudulent statement and representation in a matter within the jurisdiction of the SEC, an agency of the executive branch of the Government of the United States, that is, he said that he was not aware of any facsimile promotions regarding DPRK when, in truth, and as he then knew, he had caused to be disseminated and paid for facsimile promotions regarding DPRK.

In violation of Title 18, United States Codes, Section 1001.

**COUNT TWENTY-THREE**  
**[18 U.S.C. §§ 1343 and 2(a)]**

61. The allegations set forth in paragraphs 4-5 of Count One of this Indictment are re-alleged and incorporated by reference.

**THE IPWG SCHEME**

62. From in or about September 2004 until in or about November 14, 2005, **GEORGE DAVID GORDON** devised a scheme to fraudulently obtain the free trading shares of IPWG in order to avoid federal securities laws.

63. In or about September 2004, **GORDON** orchestrated a reverse merger between International Power Group, a privately held company, and EDNET, Inc., a shell company controlled by an associate of **GORDON**; **GORDON** also directed false documents to be created in order to facilitate the reverse merger, including a false opinion letter that **GORDON** caused to be sent to IPWG's transfer agent, which directed the removal of trading restrictions on the shares of IPWG.

64. On or about October 11, 2005, **GORDON** parked 2.25 million shares of IPWG with Nominee A while maintaining ownership and control of the shares.

65. On or about October 18, 2005, **GORDON**, using Nominee A, sold 2.25 million shares of IPWG for \$2,714,504.22 and then directed Nominee A to transfer \$2,172,064 million of the proceeds of that sale to accounts beneficially owned and controlled by **GORDON**.

66. On or about September 28, 2004, in the Northern District of Oklahoma, defendant **GEORGE DAVID GORDON** having devised and intending to devise the scheme and artifice to defraud alleged in paragraphs 4-5 of Count One and paragraphs 62-65 of this Indictment, did transmit and cause to be transmitted by means of wire communications in interstate commerce, writings, signs, signals, and sounds for the purpose of executing such scheme and artifice, to wit: a facsimile transmission of a false opinion letter from Tulsa, Oklahoma, to Dallas, Texas.

In violation of Title 18, United States Code, Sections 1343 and 2(a).

**FORFEITURE ALLEGATION**  
**[18 U.S.C. §981(a)(1)(C) and 28 U.S.C. §2461(c)]**

67. The allegations contained in Count Twenty-Three of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Section 981(a)(1) and Title 28 United States Code, Section 2461(c). Upon conviction of the wire fraud scheme alleged in Count Twenty-Two of this Indictment, as part of his sentence, defendant **GEORGE DAVID GORDON** shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the wire fraud offense alleged in Count Twenty-Three, including but not limited to the following:

**a. MONEY JUDGMENT:**

A sum of money equal to \$2,747,761.81 in United States Currency, representing proceeds obtained as a result of the wire fraud offense alleged in Count Twenty-Three of this Indictment;

**b. REAL PROPERTY:**

Real Property commonly known as 10726 South Lakewood Avenue, Tulsa, Tulsa County, Oklahoma, more particularly described as follows-to-wit:

Lot One (1), Block Two (2), THE GATES AT FOREST PARK, a Subdivision in the City of Tulsa, Tulsa County, State of Oklahoma, according to the recorded Plan No. 5487, together with all appurtenances, improvements, and attachments thereon.

**c. SUBSTITUTE ASSETS:**

Pursuant to Title 21, United States Code, Section 853(p), the defendant shall forfeit substitute property, up to the value of the proceeds described above, if, by any act or omission of the defendant, the proceeds or any portion thereof, cannot be located upon the exercise

of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been co-mingled with other property which cannot be divided without difficulty, including, but not limited to:

- i. Proceeds of Bank of America Account No. #####-2452, in the amount of \$145,141.26;
- ii. Proceeds of Bank of America Account No. #####-2449, in the amount of \$171,726.82; and
- iii. Proceeds of Arvest Bank Account No. #####-8604 in the amount of \$215,758.53.

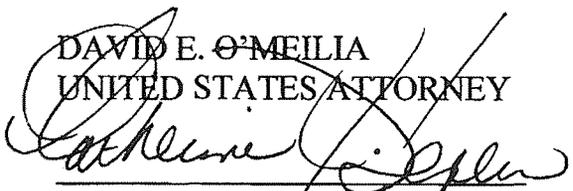
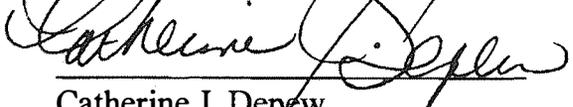
All in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Sections 2461(c), and Rule 32.2 of the Federal Rules of Criminal Procedure.

**COUNT TWENTY-FOUR**  
**[18 U.S.C. § 1512(c)(2)]**

68. The allegations set forth in paragraphs 4-5 of Count One of this Indictment, and paragraphs 62-65 of Count Twenty-Two of this Indictment are re-alleged and incorporated herein by reference.

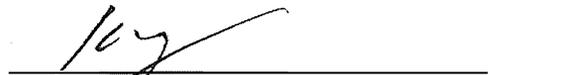
69. From on or about January 31, 2008 until in or about March 2008, the exact dates being unknown to the Grand Jury, in the Northern District of Oklahoma and elsewhere, defendant **GEORGE DAVID GORDON** did, and attempted to, corruptly obstruct, influence, and impede an official proceeding, that is, a civil forfeiture action in Case Number 07-CV-596-CVE-PJC in the United States District Court for the Northern District of Oklahoma, in which the United States sought to forfeit **GORDON's** residence based, in part, upon allegations of criminal conduct involving IPWG, by directing the fabrication of documents and concealment of information regarding the transfer and sale of shares of IPWG.

In violation of Title 18, United States Code, Section 1512(c)(2).

  
DAVID E. O'MELIA  
UNITED STATES ATTORNEY  
  
Catherine J. Depew  
Assistant United States Attorney

A TRUE BILL

s/GJ Foreperson \_\_\_\_\_  
Grand Jury Foreperson

  
Kevin B. Muhlendorf  
Special Assistant United States Attorney

  
Andrew H. Warren  
Trial Attorney, Fraud Section  
United States Department of Justice

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OKLAHOMA

United States of America,

Plaintiff,

vs.

Case No. 09-cr-13-JHP

Joshua Wayne Lankford,

Defendant.

**ORDER OF DETENTION PENDING TRIAL**

In accordance with the Bail Reform Act, 18 U.S.C. § 3142(f), a detention hearing has been held. I conclude that the following facts require Defendant's detention pending trial in this case.

**Part I - Findings of Fact**

- (1) Defendant is charged with an offense described in 18 U.S.C. § 3142(f)(1) and has been convicted of a (federal offense) (state or local offense that would have been a federal offense if a circumstance giving rise to federal jurisdiction had existed) that is:
- a crime of violence as defined in 18 U.S.C. §3156(a)(4).
  - an offense for which the maximum sentence is life imprisonment or death.
  - an offense for which a maximum term of imprisonment of ten years or more is prescribed in: \_\_\_\_\_
  - a felony that was committed after the defendant has been convicted of two or more prior federal offenses described in 18 U.S.C. § 3142(f)(1)(A)-(C), or comparable state or local offenses.
- (2) The offense described in finding (1) was committed while the defendant was on release pending trial for a federal, state or local offense.
- (3) A period of not more than five years has elapsed since the (date of conviction) (release of the defendant from imprisonment) for the offense described in finding (1).
- (4) Findings (1), (2) and (3) establish a rebuttable presumption that no condition or combination of conditions will reasonably assure the safety of (an) other person(s) and the community. I further find that Defendant has not rebutted this presumption.

**Alternative Findings (A)**

- (1) There is probable cause to believe that Defendant has committed an offense:

for which a maximum term of imprisonment of ten years or more is prescribed in\_

under 18 U.S.C. § 924(c).

- (2) Defendant has not rebutted the presumption established by finding (1) that no condition or combination of conditions will reasonably assure the appearance of Defendant as required and the safety of the community.

**Alternative Findings (B)**

- (1) There is a serious risk that Defendant will not appear.
- (2) There is a serious risk that Defendant will endanger the safety of another person or the community.

**Part II - Written Statement of Reasons for Detention**

In 2008, after the defendant was aware that he was under criminal investigation, he left the United States and went to Costa Rica . Defendant left behind a family including young children. In Costa Rica, Defendant assumed the identity of a Costa Rican citizen and used other false identities. When he was arrested in 2011 for extradition to the United States, defendant continued to claim he was a citizen of Costa Rica.

**Part III - Directions Regarding Detention**

Defendant is committed to the custody of the Attorney General or his designated representative for confinement in a corrections facility separate, to the extent practicable, from persons awaiting or serving sentences or being held in custody pending appeal. Defendant shall be afforded a reasonable opportunity for private consultation with defense counsel at all reasonable times, as well as the services of an interpreter. On order of a court of the United States, or on request of an attorney for the Government, the person in charge of the corrections facility shall deliver the defendant to the United States Marshal for the purpose of an appearance in connection with a court proceeding.

  
FRANK H. McCARTHY  
UNITED STATES MAGISTRATE JUDGE



more than 17,000 investors, hundreds of financial transactions, and net trading profits in excess of \$43 million.<sup>1</sup>

3. On May 24, 2012, Lankford made his initial appearance following extradition from Costa Rica (Dkt. # 426). Thereafter, on May 30, 2012, the Court entered a scheduling order, setting the trial of Lankford for July 23, 2012 (Dkt. # 429).

4. The joint motion sets forth the details of a number of related criminal and civil cases:

- a. *United States v. Mark Byron Lindberg*, Northern District of Oklahoma, 08-CR-133-CVE;
- b. *United States v. Robert Bertsch*, Northern District of Oklahoma, 08-CR-136-CVE; *United States v. Robert Bertsch*, Eastern District of New York, 08-CR-740-DHR-ETB;
- c. *United States v. Richard Singer*, Northern District of Oklahoma, 08-CR-135-JHP; *United States v. Richard Singer*, Eastern District of New York, 08-CR-587-SJF.
- d. *SEC v. Gordon, et al.*, Northern District of Oklahoma, 09-CV-61-CVE-FHM;

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<sup>1</sup> On March 10, 2009, the Honorable Terence Kern granted the Government's unopposed motion to declare this case a complex matter as to Co-Defendants Gordon, Clark and Reskin (Dkt. # 41). On March 25, 2010, Co-Defendant James Reskin entered a plea of guilty to an information charging him with Obstruction of Proceedings Before Departments and Agencies (Dkt. # 172). The jury trial of Co-Defendants Gordon and Clark commenced on April 5, 2010 and concluded on May 3, 2010, with Gordon being convicted on all counts and Clark convicted of the conspiracy, seven (7) counts of wire fraud, five (5) count of securities fraud, and one (1) count of money laundering. (Dkt. # 223). Defendant Dean Sheptycki remains a fugitive. This Order declares this case a complex matter as to Defendant Lankford, the only remaining defendant in this case who is pending trial.

- e. *SEC v. Lindberg*, Northern District of Oklahoma, 08-CV-402-CVE-SAJ.

5. In this case, the facts underlying this indictment are complex and will involve extensive pretrial preparation and discovery. The indictment alleges a complicated market manipulation scheme that occurred over a period of more than four years and involved at least four different publicly traded companies. The procedural history of this case reflects its complexity, as do the number of related criminal and civil cases. The prior criminal trial commenced approximately fifteen months following indictment, lasted 15 days over a 4-week period, and involved approximately 16 witnesses and 200 admitted exhibits.<sup>2</sup> In addition to those trial exhibits, the Government expects to make available approximately 860,000 pages of hard-copy and electronic documents recovered by investigators pursuant to grand jury subpoenas, search warrants and voluntary relinquishment from multiple sources, including targets of the investigation, victims, law enforcement agencies, financial institutions and other businesses, among others. Furthermore, the discovery in this case also includes dozens of memoranda and transcripts of witness interviews as well as lengthy transactional documents.

6. Defense Counsel's review of the evidence is likely to be time consuming given the sheer volume of discovery and especially considering that it will entail detailed examination of financial records, including bank statements, brokerage account statements

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<sup>2</sup> On June 4, 2012, the Government produced to Lankford all 176 government exhibits that were admitted at the trial of Co-Defendants Gordon and Clark.

and stock trading records. Although the Government has estimated that only a small percentage of the documents are relevant to the pending matter, Defense Counsel will require a significant amount of time to review, understand, digest and evaluate the voluminous discovery in order to prepare for trial. Therefore, Defense Counsel's review and inspection will require an extension of the Court's existing Scheduling Order.

7. Counsel for Lankford has been appointed in this case but also has commitments to other pending matters which involve pre-existing commitments to other clients, both retained and appointed. The Court finds that it would not be reasonable to expect any attorney involved in this case to devote his or her full attention to this case to the exclusion of other cases, and each attorney must have sufficient time to prepare for trial in this case and to fully and competently represent their clients.

8. In this case, the complexity of the indictment and the voluminous discovery render the matter so complex as to warrant the grant of an ends-of-justice continuance pursuant to 18 U.S.C. §§ 3616(h)(7)(A) and 3161(h)(7)(B)(ii) because it would be unreasonable to expect counsel to conduct pretrial preparations or adequately prepare for the trial itself within the limits set forth in the Speedy Trial Act. Specifically, this case will require additional time for Defense Counsel to review, understand, and digest the large amount of discovery provided and to be provided, and to conduct the necessary investigation regarding those matters. Accordingly, the need to provide Defense Counsel with adequate time to review the trial transcripts and voluminous amount of discovery in order to effectively represent his client outweighs the best interest of the public and Lankford in a

speedy trial. Strict compliance with the Speedy Trial Act's seventy-day deadline would, in fact, undermine the principles of the public's interest in a fair trial, as well as the public's interest in ensuring Lankford is provided sufficient time to review the discovery, to research possible defenses and adequately prepare for trial.

9. In making this determination, the Court has reviewed the joint motion to declare this case complex and the representations contained therein. It is clear that the current scheduling order does not allow sufficient time for Defense Counsel to review and prepare for trial.

10. The Court hereby finds that the need for Defense Counsel to devote adequate time necessary for the exercise of due diligence required to review and respond to the large amount of discovery in this case, in order to prepare for trial in order to effectively represent his client, outweighs the best interest of the public and the defendant in a speedy trial. The Court specifically finds that the strict compliance with the Speedy Trial Act's seventy-day deadline would subvert the public's interest in a fair trial of Lankford.

11. The Government and Defense Counsel anticipate it will take defense approximately nine to twelve months to prepare for trial, have estimated the trial will last approximately 3-4 weeks and request a status conference within 90 days in order to set a trial date and other pretrial deadlines after Lankford and Counsel have had an initial period of time to review discovery materials.

**IT IS THEREFORE ORDERED** that the Joint Motion to Declare This Case A Complex Matter (Dkt. # 434) is **granted** and the current Scheduling Order is stricken.

**IT IS FURTHER ORDERED** that a status conference is set for September 25, 2012, at 1:30 pm for the purpose of entering a scheduling order following preliminary discovery review.

**IT IS FURTHER ORDERED** that the time from the date of the joint motion, June 11, 2012, to the trial shall be excluded from the speedy trial calculation pursuant to 18 U.S.C. § 3161(h)(7).

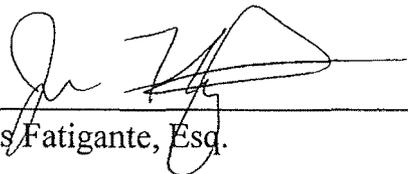
**DATED** this 12<sup>th</sup> day of June, 2012.

  
James H. Payne  
United States District Judge  
Northern District of Oklahoma

**RECEIPT**

I do hereby acknowledge receipt of the documents listed on Attachment "A" at lines 3 through 228, from the United States relating to the case of *United States v. Joshua Wayne Lankford, et. al.*, 09-CR-00013-JHP. I also acknowledge receipt of one (1) Seagate external hard drive, OKN USB002, DOJ P 14505, to be returned on or before January 31, 2013, to AUSA Catherine J. Depew, unless extended by agreement.

Received this 21 day of June, 2012.

By:   
James Fatigante, Esq.

	A	B	C
1	BATES NO.	DOCUMENT DESCRIPTION	Date Produced
2			
3	DOJ 000001-0000799	Hot Docs	06/08/12
4	DOJ 000800-0001745	Additional Hot Docs	
5	DOJ 001746-002670	SEC Transcripts (Defs' testimony)	
6	DOJ 002671-009929	Financial Records (for accounts in indictment)	
7	DOJ 009930-010733	Fofeiture Allegation Docs (Arvest #8604)	
8	DOJ 010734-011171	Fofeiture Allegation Docs (BoA #2449)	
9	DOJ 011172-011361	Gordon - Clark Transcripts - SEC (In re Vertical Comp. Sys)	
10	DOJ 011362-011518	Transcripts of phone conversations (Audio 1-13)	
11	DOJ 011519-011588	Gordon Testimony in <i>Clark v Tabin</i>	
12	DOJ 011589-011590	Clark Affidavit - Trucolor	
13	DOJ 011591-011650	IPWG and EDNet Corp Docs	
14	DOJ 011651-011658	BOA Account in Lankford's name	
15	DOJ 011659-012920	Pink Sheets	
16	DOJ 012921-013131	Red Sea Documents	
17	DOJ 014487-015288	SEC Witness Transcripts	
18	DOJ 015289-015345	Plea Agreements (Lindberg, Bertsch, Singer, D'Onofrio ltr)	
19	DOJ 015346-015349	A Clark E-mail to Kevin, M D'Onofrio comments on letter, Lindberg E-mails	

	A	B	C
20	DOJ 015350-015352	IRS Giglio Check	
21	DOJ 015353	Transcript of Amy Clark Voicemail message	
22	DOJ 015354-015386	Singer-Gordon documents	
23	DOJ 015387-015466	Singer-Gordon documents 2	
24			
25			
26	<b>DOJ SEC - DOCS</b>		
27			
28	DOJ-SEC 000001-000017	Noffke Notes	
29	DOJ-SEC 000018-000333	Charles Schwab Account Statements	
30	DOJ-SEC 000334-000625	FedEx Documents (Gordon & Assoc)	
31	DOJ-SEC 000626-000707	FINRA DPRK Audit Report - 8/1/05-9/15/05	
32	DOJ-SEC 000708-001181	FINRA GBVS Audit Report - 10/5/05-12/31/05	
33	DOJ-SEC 001182-001501	FINRA NLST - Audit Report - 8/1/05-9/15/05	
34	DOJ-SEC 001502-001821	Non-defs' SEC/NASD testimony + exhibits	
35	DOJ-SEC 001822-008061	Non-Witness Transcripts (listed in Ex A. to cover letter)	
36	DOJ-SEC 008062-008081	Gordon Wells Submission	
37	DOJ-SEC 008082-020409	SEC External Correspondence	
38	DOJ-SEC 020410-020552	Charles Schwab Account Statements	

	A	B	C
39	DOJ-SEC 020553-021023	Hoffer Documents	
40	DOJ-SEC 021024-021483	Dany Documents	
41			
42	<b>ARTEC DOCUMENTS</b>		
43			
44	<b>ARTEC - Disk 1a</b>		
45		Exhibits by Number	
46		Fedex	
47		Fidelity 515 Field LTD	
48		Fifth Third Bank Marmaduke	
49		First America Bank Odyssey and Crimson	
50		First Bank of Long Island	
51		First Bank Special Project Group	
52		First Southwest ACAP Partners II	
53		First Southwest Offill	
54		G David Gordon Account Records	
55		Gilgamesh	
56		Glenn Adams	
57		Godwin Gruber Trust Account	
58		Goldman Sachs Shocker 100	
59		Goldman Sachs ACL	
60		Gordon	
61		Gordon Phone Message Pad	
62		Gordon Wire Records	
63		Hammerhead Private Equities	
64		Hoffer	
65		Holt	
66		Homer Capital	
67		Hong Kong SFC Kiwi	
68		Hudson Securities Shocker 100	
69		Ice Sheptycki	
70		Interim Capital Corp Reskin	
71		Iris Direct	
72		ITC Deltacom Production	

	A	B	C
73		JP Turner and Co Production	
74		Jason Freeman	
75		Joshua Lankford	
76			
77	<b>ARTEC - Disk 1b</b>		
78		JP Morgan Chase	
79		JP Morgan Chase ACL	
80		JP Morgan Chase BBX Support	
81		JP Morgan Chase Hammerhead	
82		JP Morgan Chase ICC	
83		JP Morgan Chase Shocker 100	
84		JP Morgan Chase Warrior Capital	
85		Judd Brazer	
86		Knight Equity Markets LP	
87		Legent Clearing Marmaduke	
88		Level 3 Communications	
89		LJ Soldinger	
90		ME BAO Enterprises	
91		Meeting Street Coyote	
92		Meeting Street GB Investments	
93		Merrill Lynch Odyssey	
94		Michael Dunaway	
95		Michal Parson Production	
96		Microtrak	
97		Midstates Printing	
98		Miron Leshem Production	
99		My Track ACL Consulting	
100		NASD Clark Disciplinary History	
101		NASD CSMG Transcripts	
102		National Stock Transfer NLST	
103		Nevwest ACL Consulting	
104		NSMI	
105		Odyssey Contracting	
106		Oppenheimer Bromberg	
107		Oppenheimer Robert J Randall	
108		OSC Production-Protus IP Solutions	

	A	B	C
109		Pension Financial Services Inc Prod	
110		Pension Giraltar Global Securities	
111		Penson Marmaduke	
112		Penson Production	
113		Penson Sempre	
114		Penson Shocker 200	
115		Penson Trade Confirmations	
116		Poenson Zur Capital and Lankford Media	
117		Penson Clark Family LP	
118		Pershing Research Capital	
119		Pershing Windmill Oil and Gas	
120		Phalanx	
121		PNC Reskin	
122		Premier Global Services	
123		Research Capital	
124		Research Capital Emails	
125		Reskin	
126		Richard Clark	
127		Routh Capital Consulting	
128		Routh Stock	
129		Rudy International	
130		Samco Financial Services Inc Prod	
131		Schwab Clark Family	
132		Schwab Lessar	
133		Schwab Morris	
134		Schwab Caliente	
135		Schwab Clark Family	
136		Scottrade Davis Ross	
137		Scottrade Production	
138		Scottrade Sempre	
139		Scottrade Shrewder	
140		SEC Admin Proc File	
141		Securities Transfer Artec	
142		Securities Transfer Corp	
143		Securities Transfer Cyberzone	
144		Securities Transfer Microtrak	

	A	B	C
145		Sheptycki Production	
146		Shocker 100 Reskin	
147		Shoss	
148		Shost and Assoc Lindberg	
149		Shrewder Production	
150		Sifford Anderson Bank Records	
151		Special Project Technologies	
152		Sprint Reskin	
153		Stockwire	
154		Susan Willis	
155		T Rowe Price Offill	
156		Tanika Consulting	
157		TB and Associates	
158		TD Ameritrade Hadaway Anders Narron	
159		Telcove Reskin	
160		Texas Capital Bank Godwin Gruben Trust	
161		Track Data Securities Corp Prod	
162		Trent Tucker	
163		Turner Stone GBVS Audit	
164			
165	<b>ARTEC - Disk 2</b>		
166		ACAP II	
167		ACL Consulting	
168		ACL Reskin	
169		AG Edward Williams Samstar Tucker	
170		Alberta Stock Exchange	
171		American Airlines Sheptycki	
172		Ameritrade Holt	
173		Ameritrade Sempre	
174		Amy Clark	
175		Antigua FSRC Dynamic Marketing	
176		Artec Testimony	
177		Bahamas SC Gibraltar Global	
178		Bank of America	
179		Bank South Tandori	
180		Barron Moore	

	A	B	C
181		Barron Moore Emails	
182		Barron Moore Inc	
183		BBX Support Reskin	
184		Bear Sterns Production	
185		Beehner and Mortenson	
186		Belize FIU Illyad and Odyssey	
187		Bellsouth Reskin and Sheptycki	
188		Berthsch and Singer	
189		BMAS Zinn	
190		BOA ACL	
191		BOA ACL Consulting	
192		BOA Amy Clark	
193		BOA Clark Capital	
194		BOA David Gordon	
195		BOA GDGA	
196		BOA Gilgamesh	
197		BOA Homer Capital	
198		BOA Lankford	
199		BOA Phalanx	
200		BOA Red Panda	
201		BOA Gordon	
202		BOA South Bay Capital	
203		Broadnet	
204		Bruce Moses	
205		Business Wire Production	
206		Capital Growth Financial Production	
207		Carolina First Holt	
208		Charter Communications	
209		Chasity Thompson	
210		Cingular Sheptycki	
211		Cingular Tulsa Contacts	
212		Citi Baumgarten	
213		Citibank Sheptycki	
214		Clearvision	
215		Continental Sheptycki	
216		Cox Communications	

	A	B	C
217		Crimson City Holdings	
218		David Bromberg	
219		Deep Rock Oil and Gas	
220		Direct Stock Stock Chronicles	
221		Drew Carver	
222		Dynamic Marketing	
223		Edward Jones Lana Graham	
224		Emily Mooney	
225		Eric Dany	
226		Etrade Bromberg	
227		Evervital	
228		Exhibits by Number	
229			
230	<b>TRIAL TRANSCRIPTS</b>		
231		Vol. I, pp. 98-534 - 04/06/2010 (Mark Lindberg)	
232		Vol. III, pp. 735-995 - 04/08/2010 (Mark Lindberg)	
233		Vol. VI, pp. 1275-1533 - 04/13/2010 (Jason Freeman)	
234		Vol. I, pp. 1-73 - 04/15/2010 (Jarom Gregory)	
235		Vol. II, pp. 74-243 - 04/16/2010 (Jarom Gregory)	
236		Vol. III, pp. 244-454 - 04/26/2010 (Jarom Gregory)	
237			
238	<b>MEMORANDUMS</b>		
239		FBI 302 - Meeting with Lankford 09/06/2007	06/13/12
240		IRS-CI MOI - Telephone call with Lankford 03/14/2008	06/13/12
241		IRS-CI MOI - Meeting with Lankford 06/05/2008	06/13/12
242			
243			
244			
245	<b>GORDON/ CLARK TRIAL EXHIBITS ADMITTED BY GOVERNMENT</b>		
246	001	SEC Transcript - Richard Clark - HO-10117 - In the Matter of ArTec Inc, etc.	06/08/12
247	012-014	SEC Transcript - G.David Gordon In the Matter of Sniffex Inc. NLST Daily Share Volume and Closing Price	06/08/12
248	016-017 & 017a	DPRK Daily Share Volume and Closing Price	06/08/12
249	018-020	DPRK Trading Volume Comparison GBVS Daily Share Volume and Closing Price	06/08/12

	A	B	C
250	022-032	NLST/DPRK/GBVS Trading Summary Total Trading Proceeds Payments for Fax and Email Blasts Summary of Telephone Calls Money Laundering Counts 17-21	06/08/12
251	037-038	Bartlett & Guten Trading Summary	06/08/12
252	042-045	Transcript - G. David Gordon Re: Clark and Holt v. Tabin Mark Lindberg's Information Unaudited Financial States of NLST for the 3rd quarter of 2005 Audited Financial Statements of NLST for years ending 2004 and 2005	06/08/12
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IN THE UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF OKLAHOMA

UNITED STATES OF AMERICA, )  
 )  
 Plaintiff, )  
 )  
 -vs- ) No. 09-CR-13-JHP-3  
 )  
 JOSHUA WAYNE LANKFORD, )  
 )  
 Defendant. )

\* \* \* \* \*

TRANSCRIPT OF CHANGE OF PLEA HEARING  
**BEFORE THE HONORABLE PAUL J. CLEARY**  
UNITED STATES MAGISTRATE JUDGE

DECEMBER 10, 2012

\* \* \* \* \*

A P P E A R A N C E S

MS. CATHERINE J. DEPEW, 110 West 7th Street, Suite 300,  
Tulsa, Oklahoma, 74119, Assistant United States Attorney on  
behalf of the Plaintiff;

MR. JAMES MICHAEL FATIGANTE, 4815 South Harvard Avenue,  
Suite 426, Tulsa, Oklahoma, 74135, Attorney on behalf of the  
Defendant.

REPORTED BY: KEN SIDWELL, CSR-RPR  
United States Court Reporter  
P.O. Box 3411  
Muskogee, Oklahoma 74402

1                                    DECEMBER 10, 2012 PROCEEDINGS

2                                    *(On the record at 2:41 p.m.)*

3                                    COURTROOM DEPUTY: Case number 09-CR-13-JHP,  
4 U.S.A. versus Joshua Wayne Lankford. Counsel, please state  
5 your appearances for the record.

6                                    MS. DEPEW: Catherine Depew for the United  
7 States.

8                                    MR. FATIGANTE: Hello, Your Honor. Jim Fatigante  
9 here with Mr. Lankford.

10                                   THE COURT: All right. Mr. Fatigante, why don't  
11 you and Mr. Lankford step up to the podium here and we'll  
12 start this process.

13                                   All right. I understand that Mr. Lankford  
14 wishes to enter a change of plea today; is that correct?

15                                   MR. FATIGANTE: That is correct, Your Honor.

16                                   THE COURT: All right. Mr. Lankford, in order to  
17 take your plea today, I need to go through a number of steps  
18 with you to make sure that you understand the consequences  
19 of your plea, and also that you're doing so voluntary,  
20 you're not being coerced in any way, you appreciate the  
21 consequences of the plea. So to make sure that your answers  
22 to my questions are truthful, I'm going to have you placed  
23 under oath at this time.

24                                   THE DEFENDANT: Yes, sir.

25                                   COURTROOM DEPUTY: Please raise your right hand.

1           *(The Defendant was duly sworn by the Courtroom Deputy)*

2           THE DEFENDANT: Yes, ma'am.

3           THE COURT: All right. Mr. Lankford, do you  
4 understand that you're now under oath, and any false  
5 statement you may make to me during this proceeding could be  
6 used against you in a prosecution for perjury?

7           THE DEFENDANT: Yes, sir.

8           THE COURT: Okay. Is Joshua Wayne Lankford your  
9 true and correct name?

10          THE DEFENDANT: Yes, sir.

11          THE COURT: Have you ever been known by any other  
12 name?

13          THE DEFENDANT: Yes, sir.

14          THE COURT: And what was that?

15          THE DEFENDANT: Juan Edgardo Mara Cardenas.

16          THE COURT: Okay. And when -- under what  
17 circumstances did you use that name?

18          THE DEFENDANT: In Costa Rica.

19          THE COURT: Okay. And does that have anything to  
20 do with the charge we're talking about here today?

21          THE DEFENDANT: I do not believe so, sir.

22          MR. FATIGANTE: No, Your Honor.

23          THE COURT: Okay. All right. And this other --  
24 this other name was used only in the time you were down in  
25 Costa Rica. You didn't use it in the United States?

1 THE DEFENDANT: No, sir. I have not.

2 THE COURT: Okay. What is your age and date of  
3 birth?

4 THE DEFENDANT: I am 39 years old. My date of  
5 birth is November 24th, 1973.

6 THE COURT: And your educational background?

7 THE DEFENDANT: I have a GED.

8 THE COURT: You can read, write, and understand  
9 English?

10 THE DEFENDANT: Yes, sir.

11 THE COURT: Are you currently taking any  
12 prescribed drug or medication?

13 THE DEFENDANT: No, sir.

14 THE COURT: Is there any prescribed drug or  
15 medication that you should be taking that you're not taking?

16 THE DEFENDANT: No, sir.

17 THE COURT: Have you taken or consumed any alcohol  
18 in the last 24 hours?

19 THE DEFENDANT: No, sir.

20 THE COURT: Have you taken or consumed any other  
21 drug or illegal substance in the last 24 hours?

22 THE DEFENDANT: No, sir.

23 THE COURT: Have you ever been treated or  
24 diagnosed for any mental illness or addiction of any kind?

25 THE DEFENDANT: No, sir. Excuse me.

1 Alcoholism.

2 THE COURT: Okay. That would be an addiction,  
3 yeah. And when were you treated for alcoholism?

4 THE DEFENDANT: It was many years ago. Over two  
5 decades ago.

6 THE COURT: Okay. And since that treatment, have  
7 you been -- have you just not used alcohol?

8 THE DEFENDANT: That's correct.

9 THE COURT: Okay. Have you ever been found to be  
10 incompetent?

11 THE DEFENDANT: No, sir.

12 THE COURT: Do you fully understand these  
13 proceedings today?

14 THE DEFENDANT: Yes, sir.

15 THE COURT: And are you competent to proceed  
16 today?

17 THE DEFENDANT: Yes, sir.

18 THE COURT: And, Mr. Fatigante, do you believe  
19 your client fully understands these proceedings and is  
20 competent to proceed today?

21 MR. FATIGANTE: Yes, Your Honor.

22 THE COURT: All right. Mr. Lankford, I guess this  
23 case has been around for some time. It's a 2009 indictment.  
24 In this time, have you had enough time to fully confer with  
25 your counsel?

1 THE DEFENDANT: Yes, sir.

2 THE COURT: And have you done so with respect to  
3 all aspects of this case, including any defense you might  
4 have and any information favorable to you?

5 THE DEFENDANT: Yes, sir.

6 THE COURT: Are you satisfied that your attorney  
7 fully investigated your case and properly advised you?

8 THE DEFENDANT: Yes, sir.

9 THE COURT: And are you completely satisfied with  
10 his services?

11 THE DEFENDANT: Yes, sir.

12 THE COURT: Okay. All right. Next hurdle, Mr.  
13 Lankford, you have a right to have this guilty plea  
14 proceeding conducted by a U.S. District Judge. In this case  
15 that would be Judge Jim Payne. I'm a United States  
16 Magistrate Judge. You can waive your right to have Judge  
17 Payne conduct this proceeding and consent to let me do it.  
18 There's no legal significance in who takes your plea,  
19 there's no difference in the consequences. Your plea will  
20 have the same force and effect whether I conduct the  
21 proceeding or Judge Payne. The advantage to you, I suppose,  
22 is that we do it right now and you don't have to wait for  
23 Judge Payne to be available.

24 So if you wish to waive your right to have  
25 this proceeding conducted by a District Judge and consent to

1 have me do it, I need for you to sign a waiver form here to  
2 that effect, okay?

3 THE DEFENDANT: Okay. Yes, sir.

4 THE COURT: All right. Now, Mr. Lankford, you  
5 understand that you are not required to plead guilty today?

6 THE DEFENDANT: Yes, sir.

7 THE COURT: You could continue to maintain your  
8 not guilty plea in this case, and you would have a right to  
9 a jury trial. So I want to go over with you the rights you  
10 would have relative to a jury trial that you'll be giving up  
11 if you plead guilty here today.

12 You would have a right to a speedy and public  
13 trial by jury; the right to be represented by counsel at  
14 every stage of the proceedings. If you were financially  
15 unable to obtain counsel, counsel would be appointed for  
16 you. You would have the right to see and hear the testimony  
17 of all the witnesses that the government might call to  
18 testify against you, and you would have the right, through  
19 counsel, to cross-examine those witnesses. You would have  
20 the right to use the subpoena power of this court to compel  
21 the attendance of witnesses at your trial, as well as the  
22 production of any other form of evidence that you might want  
23 to use. You would have the right to testify if you wanted  
24 to. You could present witnesses and evidence as well if you  
25 chose to do so. You also have the right, under the Fifth

1 Amendment, not to be compelled to incriminate yourself by  
2 taking the witness stand. And so, if you chose not to  
3 testify at trial, no inference of guilt could be drawn from  
4 your decision, and the jury would be instructed in that  
5 regard. You could not be convicted unless all 12 members of  
6 the jury agreed that you were guilty of the essential  
7 elements of the crime charged beyond a reasonable doubt. Do  
8 you understand all of those rights?

9 THE DEFENDANT: Yes, sir.

10 THE COURT: And you understand that, if you plead  
11 guilty, you give up your right to a jury trial, as well as  
12 all these other related rights that I've just summarized for  
13 you?

14 THE DEFENDANT: Yes, sir.

15 THE COURT: Okay. Now, when you earlier appeared  
16 in court, you would have received a copy of the indictment  
17 in this case. Do you remember that?

18 THE DEFENDANT: Yes, sir.

19 THE COURT: And have you read the indictment?

20 THE DEFENDANT: I have, sir. I have, Your Honor.

21 THE COURT: All right. And you understand what it  
22 is you're charged with?

23 THE DEFENDANT: I do, sir.

24 THE COURT: Okay. There are a total, I think, of  
25 24 counts in this indictment. However, you're named in just

1 21 of those 24. And it's my understanding that you'll be  
2 pleading guilty to one count, Count 20. Is that correct,  
3 Ms. Depew?

4 MS. DEPEW: Yes, Your Honor.

5 THE COURT: All right. And Count 20 is money  
6 laundering. There's also a forfeiture provision in the  
7 indictment. Does that affect this defendant as well?

8 MS. DEPEW: Judge, because of the plea to a money  
9 laundering count, and in a criminal forfeiture, we are  
10 limited to the count of conviction. So the agreement, as  
11 part of the plea agreement, is to the \$250,000 money  
12 judgment representing the proceeds involved in the Count 20  
13 money laundering charge.

14 THE COURT: Okay. All right. Is there anything  
15 about the indictment that you would like explained or read  
16 to you, Mr. Lankford?

17 THE DEFENDANT: No, sir.

18 THE COURT: Okay. All right. And, Ms. Depew,  
19 correct me if I go off the road here, but the essential  
20 elements of Count 20 are these: That you knowingly engaged,  
21 or attempted to engage in a transaction in or affecting  
22 interstate commerce; that that transaction involved  
23 criminally derived property of a value exceeding \$10,000;  
24 that the property was derived from specified criminal  
25 activity; that you acted knowingly, and with knowledge that

1 the transaction involved proceeds of criminal activity; and  
2 that the transaction occurred in the United States. Is that  
3 right?

4 MS. DEPEW: Your Honor, your recitation of the  
5 elements is correct. One clarification on the element  
6 having to do with proceeds of, instead of criminal activity,  
7 it's a little more limited, it's proceeds of specified  
8 unlawful activity as defined in 18 U.S.C. 1956.

9 THE COURT: Okay. So it's property derived from  
10 specified unlawful activity?

11 MS. DEPEW: Yes, Your Honor.

12 THE COURT: Okay. All right. And the maximum  
13 punishment for this charge, as I understand it, is up to 10  
14 years in prison; there's no mandatory minimum; a fine of up  
15 to \$250,000; no restitution per se. Correct?

16 MS. DEPEW: That's correct, Your Honor. In this  
17 case --

18 THE COURT: The judgment is the -- essentially  
19 does the same thing I guess.

20 MS. DEPEW: Well, and also in this case, Your  
21 Honor, because restitution is so complex, at the time of the  
22 investigation, the investigators -- the investigating agency  
23 didn't realize there were so many victims. As it turned  
24 out, there's more than 17,000 victims. So as part of the  
25 plea agreement, there is a stipulation that restitution will

1 not be entered. But all of the forfeited proceeds that have  
2 been accumulated so far, as well as anymore that come into  
3 the United States, all of those proceeds will go to the  
4 victims through a remission process.

5 THE COURT: Okay. All right. Yeah, and I saw  
6 Paragraph 8 of the plea agreement deals with that  
7 restitution issue, and the complexity of it.

8 You would also be looking, Mr. Lankford, at  
9 supervised release upon release from prison of no more than  
10 three years, and there would be a special assessment of \$100  
11 on the felony offense.

12 Are there any other collateral consequences  
13 of this plea that anyone is aware of?

14 MS. DEPEW: Yes, Your Honor.

15 THE COURT: Okay.

16 MS. DEPEW: If I may, there is appellate and post  
17 conviction waiver. The defendant waives the right to  
18 directly appeal the conviction and sentence. The defendant  
19 reserves the right to appeal from a sentence that exceeds  
20 the statutory maximum.

21 THE COURT: Right.

22 MS. DEPEW: The defendant agrees there'll be no  
23 collateral attack pursuant to 2255.

24 THE COURT: Unless it's based on ineffective  
25 assistance at this proceeding, right?

1 MS. DEPEW: Correct, Your Honor.

2 THE COURT: Okay. And, Mr. Fatigante, is that  
3 your understanding of the elements, the penalty, and the  
4 consequences?

5 MR. FATIGANTE: Yes, Your Honor.

6 THE COURT: Okay. Anything -- Mr. Lankford, any  
7 questions you have about any of that?

8 THE DEFENDANT: No, Your Honor.

9 THE COURT: Okay. Ms. Depew, would you summarize  
10 the evidence that the government would be prepared to put  
11 forward if this case went to trial.

12 MS. DEPEW: Yes, Your Honor. The defendant,  
13 Joshua Lankford, was a part owner of brokerage house in  
14 Dallas, Texas by the name of Barron Moore. As a  
15 dealer-broker, the Defendant Lankford served a key role in  
16 the conspiracy because, as a broker, he allowed the  
17 defendants to access many accounts both in their names and  
18 the names of nominees. Those accounts were used to  
19 manipulate the market for National Storm, NLST as we call  
20 it, Deep Rock, and Global Beverage.

21 Lankford used his half-brother, Matthew  
22 Crockett, making him the head of four or five companies. As  
23 a result, those companies were used as nominees and nominee  
24 accounts to further the conspiracy or the stock manipulation  
25 scheme.

1                   Along with the Defendant Lindbergh, the  
2 Defendant Joshua Lankford was also partners in a Caribbean  
3 company by the name of SCM Capital. SCM Capital was also  
4 used as a nominee to trade and fund the fax blasts and  
5 e-mail blasts.

6                   With regard to the specific charge in the  
7 indictment, Your Honor, Count 20, Defendant Lankford was  
8 involved in the transfer of \$250,000 from a company that the  
9 defendant controlled called Lankford Media Group. That  
10 transfer of \$250,000, Your Honor, was made to the David  
11 Gordon Associates trust account on May 25th of 2006. The  
12 source of that money was the sale of illegally manipulated  
13 Global Beverage Solution shares. Those shares had been  
14 manipulated from April 1st of 2006 through April 20th of  
15 2006.

16                   After those shares were manipulated, Your  
17 Honor, there was -- and after those shares were manipulated,  
18 there was a dissemination of the fax blasts in furtherance  
19 of the Global Beverage Solutions and the other stock  
20 manipulations. So after Global Beverage was manipulated,  
21 Joshua Lankford, the defendant, sold shares worth  
22 \$257,893.35. That was a series, Your Honor, of transfers  
23 that had occurred, and I have the exhibit from the trial  
24 with the Exhibit 32 that shows the specific transfers that  
25 comprised that sum of money.

1           He subsequently transferred more than \$10,000  
2 in criminally derived proceeds, which were proceeds of  
3 specified unlawful activity, specifically securities fraud  
4 and wire fraud, and transferred to Gordon's bank account.

5           THE COURT: And this was, at heart, sort of a pump  
6 and dump scheme, right?

7           MS. DEPEW: Yes, Your Honor.

8           THE COURT: The blast e-mails and faxes and that  
9 sort of thing would inflate the price of stocks.

10          MS. DEPEW: Yes, Your Honor.

11          THE COURT: And then the defendants had access to  
12 sell them and reap a windfall. Is that essentially kind of  
13 what went on here?

14          MS. DEPEW: That's essentially what went on, yes,  
15 Your Honor.

16          THE COURT: And how is this defendant -- how do we  
17 have jurisdiction in the Northern District? Was his money  
18 transferred here?

19          MS. DEPEW: Yes, Your Honor. The money was  
20 transferred into David Gordon's trust account here --

21          THE COURT: Here in Tulsa.

22          MS. DEPEW: -- in the Northern District of  
23 Oklahoma.

24          THE COURT: Okay. All right. Now, there is a  
25 written plea agreement between the parties, correct?

1 MR. FATIGANTE: Yes, Your Honor.

2 THE COURT: And I think I've previously been  
3 provided a copy of that. Have there been any changes of any  
4 kind -- substantive changes to that?

5 MR. FATIGANTE: No, there haven't, Your Honor.

6 THE COURT: All right. Mr. Lankford -- do you  
7 have the original there, Mr. Fatigante?

8 MR. FATIGANTE: I do, Your Honor.

9 THE COURT: Would you hand that up at this time?

10 MR. FATIGANTE: Yes, sir. Just making sure.

11 THE COURT: Has everybody signed off on it?

12 MR. FATIGANTE: Yes, we have.

13 THE COURT: Okay. And does this plea agreement  
14 represent the best offer that was made to the defendant  
15 during the course of negotiations?

16 MR. FATIGANTE: Yes, Your Honor.

17 THE COURT: All right. Mr. Lankford, I've been  
18 handed up a document -- two documents, actually; the plea  
19 agreement and the plea agreement supplement, our standard  
20 supplement that's filed under seal.

21 The plea agreement has initials on the lower  
22 right-hand corner. Are those your initials?

23 THE DEFENDANT: Yes, Your Honor. Yes, sir.

24 THE COURT: And did you put those initials there?

25 THE DEFENDANT: I did, Your Honor.

1 THE COURT: On each page to indicate that you had  
2 read and understood that page?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: Okay. And at the end, I have a page  
5 that's signed by you, Ms. Depew; is that correct?

6 MS. DEPEW: Yes, Your Honor.

7 THE COURT: And, Mr. Fatigante, that's your  
8 signature as well?

9 MR. FATIGANTE: It is, Your Honor.

10 THE COURT: And, Mr. Lankford, that's your  
11 signature?

12 THE DEFENDANT: Yes, sir.

13 THE COURT: Okay. And that signature says that no  
14 agreements, representations, or understandings have been  
15 made between the parties other than what's explicitly set  
16 forth in this agreement and the plea agreement supplement.

17 The next page says that you have read the  
18 agreement carefully, reviewed every part of it with your  
19 attorney, understand it, and voluntarily agree to it. All  
20 right.

21 You've read all the provisions in the plea  
22 agreement?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: And do you understand all those  
25 provisions?

1 THE DEFENDANT: I do, Your Honor.

2 THE COURT: Okay. Do you have any questions about  
3 the plea agreement at all?

4 THE DEFENDANT: No, sir.

5 THE COURT: Okay. And does that plea agreement  
6 have every promise between you and the government, every --  
7 does that include every term of the agreement between you  
8 and the government?

9 THE DEFENDANT: Yes, sir.

10 THE COURT: Has anyone, including your attorney or  
11 anyone for the government, made any promise or assurance to  
12 you of any kind that's not contained in that plea agreement?

13 THE DEFENDANT: No, they haven't, Your Honor.

14 THE COURT: Do you fully understand that there are  
15 provisions in there, as Ms. Depew mentioned, that waive your  
16 right to directly appeal your sentence and conviction?

17 THE DEFENDANT: Yes, Your Honor.

18 THE COURT: And also your right to collaterally  
19 attack your conviction, other than, as I mentioned,  
20 ineffective assistance claims that you might have? Do you  
21 understand that?

22 THE DEFENDANT: I do, Your Honor.

23 THE COURT: You have reserved your right to appeal  
24 if the government, for some reason -- or the judge -- I'm  
25 sorry -- should erroneously enter a sentence in excess of

1 the statutory maximum, you have the right, obviously, to  
2 appeal in that situation.

3 THE DEFENDANT: Yes, sir.

4 THE COURT: In the plea agreement in Paragraph 16,  
5 there are various stipulations concerning the base offense  
6 level, etc. Do you understand that those stipulations, or  
7 any other such agreement in the plea agreement, are not  
8 binding on the Court?

9 THE DEFENDANT: Yes, Your Honor.

10 THE COURT: Okay. The sentencing guidelines are  
11 only advisory, and so the Court will calculate the guideline  
12 range and consider it in deciding your sentence. But the  
13 Court does not have to follow the guidelines, and could  
14 sentence you up to the maximum sentence we previously  
15 discussed. Do you understand that?

16 THE DEFENDANT: I do, Your Honor.

17 THE COURT: And also you understand that any  
18 guideline calculation that was done by your attorney or  
19 someone for the government, or anyone else, is only an  
20 estimate, and does not limit the sentence the Court may  
21 impose. Do you understand that?

22 THE DEFENDANT: I do, Your Honor.

23 THE COURT: In deciding your sentence, the Court  
24 will -- can consider any reliable information about you,  
25 including criminal conduct that you're not pleading to

1 today. Do you understand that?

2 THE DEFENDANT: Yes, sir.

3 THE COURT: Do you freely and voluntarily agree to  
4 the written plea agreement?

5 THE DEFENDANT: I do, sir.

6 THE COURT: Okay. All right. After considering  
7 our discussion of the essential elements of the charge,  
8 Count 20, the maximum penalties that could be imposed on  
9 you, the rights that you would have at trial, is it still  
10 your desire to give up your right to a jury trial and enter  
11 a plea of guilty?

12 THE DEFENDANT: Yes, Your Honor.

13 THE COURT: All right. Then I need for you to  
14 sign the jury trial waiver form here.

15 All right. Mr. Lankford, how do you wish to  
16 plead to Count 20 of the indictment, which is the money  
17 laundering charge?

18 THE DEFENDANT: I am guilty.

19 THE COURT: All right. And is your plea of guilty  
20 and the waivers of your rights made voluntarily and  
21 completely of your own free will?

22 THE DEFENDANT: Yes, Your Honor.

23 THE COURT: Are you being forced to plead guilty  
24 by anyone?

25 THE DEFENDANT: No, Your Honor.

1           THE COURT: Are you being threatened to get you to  
2 plead guilty?

3           THE DEFENDANT: No, Your Honor.

4           THE COURT: Are you under any type of pressure to  
5 plead guilty here today?

6           THE DEFENDANT: No, Your Honor.

7           THE COURT: Are you relying upon any  
8 representation or promise of any kind which is not clearly  
9 and specifically set forth in the plea agreement in order to  
10 plead guilty here today?

11          THE DEFENDANT: No, Your Honor.

12          THE COURT: Are you pleading guilty because you  
13 are, in fact, guilty of this charge?

14          THE DEFENDANT: I am, Your Honor.

15          THE COURT: All right. Now I need for you to tell  
16 me what it is that you did that makes you guilty of this  
17 money laundering count.

18          THE DEFENDANT: I knowingly engaged in a monetary  
19 transaction in criminally derived property in excess of  
20 \$10,000. The monetary transaction was done through an FDIC  
21 insured financial institution. The transaction was done  
22 and -- done to conceal the nature of the proceeds.  
23 Jurisdiction and venue are proper in this district because  
24 one of the financial institutions was located in the  
25 Northern District of Oklahoma.

1 THE COURT: All right. And so you understood that  
2 there was unlawful activity that resulted in \$10,000 or  
3 more, and you transmitted money from your accounts down in  
4 Texas to Mr. Gordon's accounts up here in Tulsa?

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: Knowing that that was -- that that  
7 amount was the proceeds of unlawful conduct?

8 THE DEFENDANT: Yes, sir.

9 THE COURT: Okay. All right. Mr. Lankford, based  
10 on your statements and representations to the Court today, I  
11 find that you are competent to enter this plea of guilty,  
12 and that you have made the plea of guilty freely and  
13 voluntarily with the full understanding of its consequences.

14 I further find you've admitted the essential  
15 elements of the crime charged, that there is a factual basis  
16 for your plea of guilty.

17 I, therefore, accept your plea of guilty, and  
18 find you guilty as charged.

19 Now, a written presentence report will be  
20 prepared by Probation to assist the Court in determining the  
21 appropriate sentence in your case. That is an extremely  
22 important document to you, and you should cooperate fully in  
23 its preparation. You'll be asked to give information for  
24 the report. Your attorney can be present when you talk to  
25 Probation if you wish. You and your attorney will be

1 allowed to read the presentence report before the sentencing  
2 and make comment on it, and you'll be also given an  
3 opportunity to speak on your behalf at the sentencing  
4 itself. The sentencing will take place March 26th, 2013 at  
5 10:00 a.m. in the morning. That will be before Judge Jim  
6 Payne.

7 Now, what is the status of Mr. Lankford in  
8 terms of release or detention?

9 MS. DEPEW: Judge, after a two day hearing, the  
10 defendant was detained pending the conclusion of the case.

11 THE COURT: Okay. All right. So there's nothing  
12 going to change in that regard?

13 MS. DEPEW: No, Your Honor.

14 THE COURT: Okay. Is there anything further with  
15 respect to Mr. Lankford?

16 MS. DEPEW: Not from the United States, Your  
17 Honor.

18 THE COURT: Mr. Fatigante?

19 MR. FATIGANTE: No, Your Honor.

20 THE COURT: All right. Then you may be excused  
21 and court will be in recess at this time.

22 *(Off the record at 3:06 p.m.)*

23

24

25

C E R T I F I C A T E

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I, Ken Sidwell, Certified Shorthand Reporter for the Eastern/Northern Districts of Oklahoma, do hereby certify that the foregoing is a true and accurate transcription of my stenographic notes and is a true record of the proceedings held in the above-captioned case.

I further certify that I am not employed by nor related to any party to this action, and that I am in no way interested in the outcome of this matter.

In witness whereof, I have hereunto set my hand this 24th day of September, 2014.

s/Ken Sidwell  
Ken Sidwell, CSR-RPR  
United States Court Reporter

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

<b>UNITED STATES OF AMERICA,</b>	)	
	)	
<b>Plaintiff,</b>	)	
	)	
<b>v.</b>	)	<b>Case No. 09-CR-00013-JHP</b>
	)	
<b>JOSHUA WAYNE LANKFORD,</b>	)	
	)	
<b>Defendant.</b>	)	

**PLEA AGREEMENT**

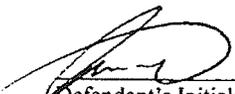
The United States of America, by and through Danny C. Williams, Sr., United States Attorney for the Northern District of Oklahoma, and Andrew H. Warren and Kevin B. Muhlendorf, Trial Attorneys, Department of Justice and Catherine J. Depew, Assistant United States Attorney, and the defendant, Joshua Wayne Lankford, in person and through counsel, James Michael Fatigante, respectfully inform the Court that they have reached the following plea agreement.

**1. Plea**

The defendant agrees to enter a voluntary plea of guilty to the following:

**Money Laundering [18 U.S.C. § 1957(a)]**

as set forth in Count Twenty of the Indictment in the instant case, Northern District of Oklahoma, and admits to being in fact guilty as charged in the count to which the defendant is pleading guilty.

  
Defendant's Initials

2. Waiver of Constitutional Rights

The defendant understands that, by pleading guilty, the following constitutional rights will be relinquished:

- a. the right to be indicted if proceeding by Information;
- b. the right to plead not guilty;
- c. the right to be tried by a jury, or, if the defendant wishes and with the consent of the Government, to be tried by a judge;
- d. at trial, the defendant has the right to an attorney, and if defendant could not afford an attorney, the Court would appoint one to represent the defendant;
- e. the defendant has the right to assist in the selection of the jury;
- f. during trial, the defendant would be presumed innocent, and a jury would be instructed that the Government has the burden to prove the defendant guilty beyond a reasonable doubt and by a unanimous verdict;
- g. the defendant has the right to confront and cross-examine witnesses against the defendant;
- h. if desired, the defendant could testify on the defendant's own behalf and present witnesses in the defendant's defense;
- i. if the defendant did not wish to testify, that fact could not be used against the defendant, and a jury would be so instructed;
- j. if the defendant were found guilty after a trial, the defendant would have the right to appeal that verdict to determine if any errors had been committed during trial that would require either a new trial or a dismissal of the charges; and
- k. at trial, the defendant would be entitled to have a jury determine beyond a reasonable doubt any facts which may have the effect of increasing the defendant's mandatory minimum or maximum sentence.

By pleading guilty, the defendant will be giving up all of these rights. By pleading guilty, the defendant understands that the defendant may have to answer questions posed to defendant by the Court, both about the rights that the defendant will be giving up and the factual basis for the defendant's plea.

**3. Appellate and Post-Conviction Waiver**

In consideration of the promises and concessions made by the United States in this plea agreement, the defendant knowingly and voluntarily agrees to the following terms:

a. The defendant waives the right to directly appeal the conviction and sentence pursuant to 28 U.S.C. § 1291 and/or 18 U.S.C. § 3742(a);

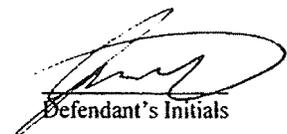
b. The defendant reserves the right to appeal from a sentence which exceeds the statutory maximum;

c. The defendant expressly acknowledges and agrees that the United States reserves all rights to appeal the defendant's sentence as set forth in 18 U.S.C. § 3742(b), and *U.S. v. Booker*, 543 U.S. 220 (2005);

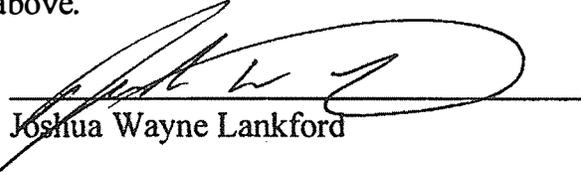
d. The defendant waives the right to collaterally attack the conviction and sentence pursuant to 28 U.S.C. § 2255, except for claims based on ineffective assistance of counsel which challenge the validity of the guilty plea or this waiver;

e. The defendant waives the right to have the sentence modified pursuant to 18 U.S.C. § 3582(c), except for a Rule 35(b) motion filed by the Government; and

f. The defendant waives the right to appeal the District Court's determination of the amount of restitution and the Court's subsequent order so long as the amount of restitution ordered is consistent with this Agreement.

  
Defendant's Initials

The defendant expressly acknowledges that counsel has explained his appellate and post-conviction rights; that defendant understands his rights; and that defendant knowingly and voluntarily waives those rights as set forth above.

  
Joshua Wayne Lankford

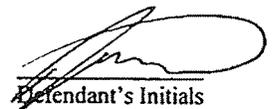
**4. Freedom of Information Act Waiver**

The defendant waives all rights, whether asserted directly or by a representative, to request or to receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case including, without limitation, any records that may be sought under the Freedom of Information Act, 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a.

**5. Rule 11 Rights Waiver**

The defendant knowingly and expressly waives all of the rights afforded defendant pursuant to the provisions of Rule 11(f) of the Federal Rules of Criminal Procedure. In other words, after entry of a plea made pursuant to this plea agreement, and in consideration thereof, the following shall be admissible against the defendant:

- a. A plea of guilty which is later withdrawn or which the defendant seeks to withdraw;
- b. Any statement made in the course of any proceeding under Rule 11 regarding said plea of guilty;

  
Defendant's Initials

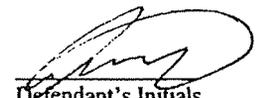
c. Any statement made in the course of plea discussions with an attorney or agent for the Government, or which were made pursuant to a proffer letter agreement, which result in a plea of guilty later withdrawn.

**6. Waiver of Right to Jury Trial on Sentencing Factors**

The defendant, by entering this plea, also waives the right to have facts that determine the offense level under the Sentencing Guidelines (including facts that support any specific offense characteristic or other enhancement or adjustment) (1) charged in the Indictment, (2) proven to a jury, or (3) proven beyond a reasonable doubt. The defendant explicitly consents to have the sentence based on facts to be established by a preponderance of the evidence before the sentencing judge pursuant to *United States v. Crockett*, 435 F.3d 1305 (10th Cir. 2006), and *United States v. Magallanez*, 408 F.3d 672 (10th Cir. 2005), and to allow the Court to consider any reliable evidence without regard to its admissibility at trial. The defendant explicitly acknowledges that his plea to the charged offenses authorizes the Court to impose any sentence up to and including the maximum sentence set forth in the United States Code. The defendant also waives all challenges to the constitutionality of the Sentencing Guidelines.

**7. Payment of Monetary Penalties**

The defendant understands that the Court may impose a fine pursuant to the Sentencing Guidelines. The defendant agrees, as a part of this agreement, to submit to interviews by the United States Attorney's Financial Litigation Unit regarding the defendant's financial status, and to complete and submit a financial statement, under oath,

  
Defendant's Initials

not later than two weeks after the date of this plea agreement. The defendant understands that, by law, interest accrues on any remaining balance of the debt.

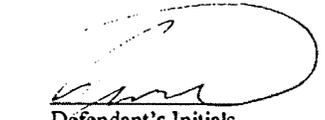
**8. Restitution**

18 U.S.C. § 3663A provides that restitution shall not apply where (A) the number of identifiable victims is so large as to make restitution impracticable; or (B) determining complex issues of fact related to the cause or the amount of the victim's losses would complicate or prolong the sentencing process to a degree that the need to provide restitution to any victim is outweighed by the burden of the sentencing process.

The parties presently believe that the identifiable victims are sufficiently large and further agree and stipulate that the determination of the complex issues of fact related to the cause and the amount of the victims' losses would complicate or prolong the sentencing process to such a degree that the need to provide restitution to any victim is outweighed by the burden on the sentencing process. The parties further understand that victims may qualify to share pro rata in forfeited funds through the remission process: [www.USvGordonRemission.com](http://www.USvGordonRemission.com).

**9. Forfeiture Agreement**

The United States and the defendant agree to the entry of a criminal forfeiture money judgment pursuant to 18 U.S.C. § 982(a)(1) in the amount of \$250,000 representing property involved in money laundering.

  
Defendant's Initials

Defendant acknowledges that forfeiture is part of the sentence that will be imposed in this case and waives any failure by the Court to advise him of this, pursuant to Rule 11(b)(1)(J), at the time his guilty plea is accepted. The defendant agrees that the Court may enter the order of forfeiture prior to sentencing. The defendant waives announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment. The defendant further waives all constitutional and statutory challenges in any manner (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this plea agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment.

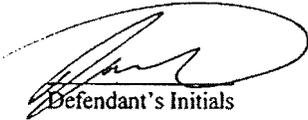
**10. Special Assessment**

The defendant hereby agrees to pay the total amount required for the Special Monetary Assessment of \$100 to the United States District Court Clerk before the time of the sentencing hearing or as directed by the District Court.

**11. Factual Basis and Elements**

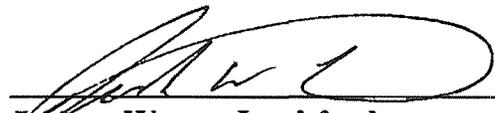
The elements that the United States must prove beyond a reasonable doubt in order to convict under Title 18 U.S.C. Section 1957 are as follows:

- a. The defendant knowingly engaged or attempted to engage in a monetary transaction in or affecting interstate commerce;
- b. The monetary transaction involved criminally derived property of a value greater than \$10,000;
- c. The property was derived from specified unlawful activity;

  
Defendant's Initials

- d. The defendant acted knowingly and with knowledge that the transaction involved proceeds of a criminal offense; and
- e.. The transaction occurred in the United States.

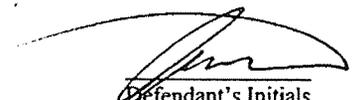
The defendant, Joshua Wayne Lankford, admits knowingly, willfully and intentionally committing or causing to be committed the acts constituting the Money Laundering alleged in Count Twenty of the Indictment.

  
\_\_\_\_\_  
Joshua Wayne Lankford  
Defendant

11-30-12  
Date

**12. Further Prosecution**

The United States shall not initiate additional criminal charges against the defendant in the Northern District of Oklahoma that, as of the date of the defendant's acceptance of this agreement, arise from its investigation of the defendant's actions and conduct giving rise to the instant Indictment, save and except crimes of violence and criminal acts involving violations investigated by the United States Internal Revenue Service. The defendant understands, however, that this obligation is subject to all "Limitations" set forth below, and that the United States Attorney's Office for the Northern District of Oklahoma is free to prosecute the defendant for any illegal conduct (*i.e.*, violation of federal criminal laws) not discovered by or revealed to the Government during its investigation or occurring after the date of this agreement.

  
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**13. Dismissal of Remaining Counts**

If the Court finds the defendant's plea of guilty to be freely and voluntarily made and accepts the plea, then the United States will move, at the appropriate time, to dismiss the remaining counts in the instant case, if any, as to this defendant.

If the defendant's guilty plea is rejected, withdrawn, vacated, or reversed at any time, the United States will be free to prosecute the defendant for all charges of which it then has knowledge, and any charges that have been dismissed will be automatically reinstated or may be re-presented to a grand jury with jurisdiction over the matter. In such event, the defendant hereby waives any objections, motions or defenses based upon the applicable statute of limitations, the Speedy Trial Act, or constitutional restrictions as to the time of bringing such charges.

**14. Acceptance of Responsibility**

Provided the defendant clearly demonstrates acceptance of responsibility, the United States agrees to recommend a two-level reduction in offense level pursuant to U.S.S.G. § 3E1.1. The United States agrees to file a motion recommending that the defendant receive an additional one-level reduction pursuant to U.S.S.G. § 3E1.1(b) if the defendant is otherwise eligible therefore. The sentencing judge is in a unique position to evaluate the acceptance of responsibility, and the Court's determination will provide the final approval or disapproval of any Section 3E1.1 point level reduction for timely acceptance of responsibility.

  
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The obligations of the Government herein, relative to acceptance of responsibility are contingent upon the defendant's continuing manifestation of acceptance of responsibility as determined by the United States. If the defendant falsely denies, or makes conflicting statements as to, his involvement in the crimes to which he is pleading, falsely denies or frivolously contests relevant conduct that the Court determines to be true, willfully obstructs, or attempts to obstruct or impede the administration of justice as defined in U.S.S.G. § 3C1.1, or perpetrates or attempts to perpetrate crimes while awaiting sentencing, or advances false or frivolous issues in mitigation, the United States expressly reserves the right to withdraw any recommendation regarding acceptance of responsibility without breaching the agreement.

**15. Sentence**

**a. Imprisonment**

The defendant acknowledges that under 18 U.S.C. §1957, the maximum statutory sentence is 10 years imprisonment and a fine of not more than \$250,000.

**b. Supervised Release**

Additionally, the defendant is aware, if imprisonment is imposed, that the Court shall include as part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment not to exceed 3 years.

If the term of supervised release for any count of conviction is revoked, the defendant may be imprisoned for an additional term not to exceed the term of imprisonment authorized in 18 U.S.C. § 3583(e)(3) for the offenses of conviction, with no credit being given for any

time served while on supervised release. Further, if the crime of conviction occurred after September 13, 1994, the Court may impose another term of supervised release following any term of imprisonment imposed for a violation of supervised release conditions, and this term of supervised release may not exceed the term of supervised release originally authorized by statute for the offenses of conviction less any term of imprisonment that was imposed upon revocation of supervised release (18 U.S.C. § 3583(e) and (h)). If a second or subsequent term of supervised release is revoked, the Court may impose another term of imprisonment not to exceed the difference between any imprisonment imposed for a prior revocation of supervised release for the offenses of conviction and the term of imprisonment authorized pursuant to 18 U.S.C. § 3583(e)(3). Accordingly, the original term of imprisonment when combined with any term of imprisonment arising from revocations of supervised release, may result in a total amount of imprisonment greater than the statutory maximum term for the offenses of conviction.

**c. Guidelines**

The defendant is aware that the Sentencing Guidelines promulgated pursuant to the Sentencing Reform Act of 1984 at 18 U.S.C. § 3551 through § 3742, and 28 U.S.C. § 991 through § 998, are advisory. The district courts, while not bound to apply the Sentencing Guidelines, must consult those Guidelines and take them into account when sentencing. *See* 18 U.S.C.A. § 3553(a).

The sentence imposed in federal court is without parole. The defendant is further aware that the sentence has not yet been determined by the Court, that any estimate of the likely sentence received from any source is a prediction, not a promise, and that the Court has the final discretion to impose any sentence up to the statutory maximum. The defendant further understands that all recommendations or requests by the United States pursuant to this agreement are not binding upon the Court.

If the sentencing Court should impose any sentence up to the maximum established by statute, the defendant cannot, for that reason alone, withdraw defendant's guilty plea, but will remain bound to fulfill all of defendant's obligations under this agreement.

Nothing in this plea agreement, save and except any stipulations contained herein, limits the right of the United States to present to the Court or Probation Office, either orally or in writing, any and all facts and arguments relevant to the defendant's sentence that are available to the United States at the time of sentencing. The defendant acknowledges hereby that relevant conduct, that is, conduct charged in any dismissed count and all other uncharged related criminal activities, will be used in the calculation of the sentence. The United States reserves its full opportunity to speak pursuant to Rule 32(i)(4)(A)(iii) of the Federal Rules of Criminal Procedure.

The defendant further understands that the sentence to be imposed upon the defendant will be determined solely by the sentencing judge, and that the sentencing judge is not bound

  
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by the following stipulations. The United States cannot and does not make any promise or representation as to what sentence the defendant will receive.

**16. Stipulations**

The defendant and the United States agree and stipulate to the following facts, pursuant to U.S.S.G. 2S1.1:

- a. Pursuant to U.S.S.G. § 2B1.1(a)(2), the base offense level is 6.
- b. Pursuant to U.S.S.G. § 2B1.1(18) the defendant was a registered broker or dealer, or a person associated with a broker or dealer and the base offense level is increased by 4.
- c. Pursuant to U.S.S.G. § 2B1.1(b)(2) the number of victims is more than 250 and the base offense level is increased by 6.
- d. Pursuant to U.S.S.G. § 2S1.1(b)(2) the defendant will be convicted under 18 U.S.C. § 1957, the offense level is increased by 1.
- e. U.S.S.G. § 3C1.1 is not applicable based upon defendant's conduct as set forth in this Plea Agreement.
- f. U.S.S.G. § 2B1.1(b) enhancement regarding the solvency of a publicly traded company is not applicable based upon defendant's conduct as set forth in this Plea Agreement.

It is understood that neither the Court nor the United States Probation Office is bound by the foregoing stipulations, either as to questions of fact or as to determination of the correct advisory sentencing guideline calculation.

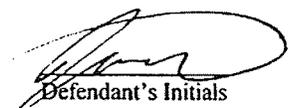
Having been fully apprised by defense counsel of defendant's right to seek compensation pursuant to Public Law 105-119, the defendant **WAIVES** any and all such right, and stipulates that defendant is not a "prevailing party" in connection with this case.

**17. Limitations**

This plea agreement shall be binding and enforceable upon the United States Department of Justice, but in no way limits, binds or otherwise affects the rights, powers, duties or obligations of any state or local law enforcement agency, administrative or regulatory authorities, civil or administrative enforcement, collection, bankruptcy, adversary proceedings or suits which have been or may be filed by any governmental entity, including without limitation, the Internal Revenue Service, the Tax Division of the Department of Justice and the trustee in bankruptcy.

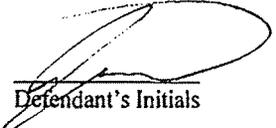
**18. Breach of Agreement**

In the event either party believes the other has failed to fulfill any obligations under this agreement, then the complaining party shall, in its discretion, have the option of petitioning the Court to be relieved of its obligations herein. Whether or not a party has completely fulfilled all of its obligations under this agreement shall be determined by the Court in an appropriate proceeding at which any disclosures and documents provided by either party shall be admissible and at which the complaining party shall be required to establish any breach by a preponderance of the evidence. The defendant hereby **WAIVES** any right under Rule 11(d) and (e) of the Federal Rules of Criminal Procedure to withdraw

  
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from defendant's plea and this agreement, save and except under circumstances where the Court rejects the plea agreement under Rule 11(c)(5) and except for the limited reasons outlined above in this paragraph.

In the event that Joshua Wayne Lankford, after entry of a plea of guilty, unsuccessfully attempts to withdraw the defendant's plea of guilty, the United States may continue to enforce the agreement but will no longer be bound by any particular provision in this agreement. This provision will not have any continued vitality if it is determined by the Court that the United States acted in bad faith to bring about the attempted withdrawal of plea.

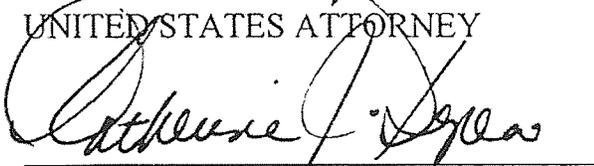
  
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**19. Conclusion**

No agreements, representations or understandings have been made between the parties in this case, other than those which are explicitly set forth in this plea agreement and the Plea Agreement Supplement that the United States will file in this case (as is routinely done in every case, even though there may or may not be any additional terms) and none will be entered into unless executed in writing and signed by all of the parties.

SO AGREED:

DANNY C. WILLIAMS, SR.  
UNITED STATES ATTORNEY



ANDREW H. WARREN  
KEVIN B. MUHLENDORF  
Trial Attorneys, Department of Justice  
CATHERINE J. DEPEW  
Assistant United States Attorney

12/3/12  
Dated



JAMES MICHAEL FATIGANTE  
Attorney for Defendant

12/3/2012  
Dated



JOSHUA WAYNE LANKFORD  
Defendant

11-30-2012  
Dated

I have read this agreement and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Further, I have consulted with my attorney and fully understand my rights with respect to sentencing which may apply to my case. No other promises or inducements have been made to me, other than those contained in this pleading. In addition, no one has threatened or forced me in any way to enter into this agreement. Finally, I am satisfied with the representation of my attorney in this matter.

  
\_\_\_\_\_  
JOSHUA WAYNE LANKFORD  
Defendant

11-30-2012  
\_\_\_\_\_  
Dated

I am counsel for the defendant in this case. I have fully explained to the defendant the defendant's rights with respect to the pending Indictment and Information. Further, I have reviewed the provisions of the Sentencing Guidelines and Policy Statements and I have fully explained to the defendant the provisions of those Guidelines which may apply in this case. I have carefully reviewed every part of this plea agreement with the defendant. To my knowledge, the defendant's decision to enter into this agreement is an informed and voluntary one.

  
\_\_\_\_\_  
J MES MICHAEL FATIGANTE  
Counsel for the Defendant

12/3/2012  
\_\_\_\_\_  
Dated

UNITED STATES DISTRICT COURT

NORTHERN

District of

OKLAHOMA

UNITED STATES OF AMERICA  
V.

JUDGMENT IN A CRIMINAL CASE

JOSHUA WAYNE LANKFORD

Case Number: 09-CR-013-003-JHP

USM Number: 12046-062

James Michael Fatigante  
Defendant's Attorney

THE DEFENDANT:

- pleaded guilty to count Twenty of the Indictment
- pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court.
- was found guilty on count(s) \_\_\_\_\_  
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 U.S.C. §§ 1957 and 2(a)	Money Laundering and Aiding and Abetting	5/25/06	20

The defendant is sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

- The defendant has been found not guilty on count(s) \_\_\_\_\_
- Counts One through Fifteen, Seventeen through Nineteen, and Twenty-one of Indictment, as to this defendant  is  are dismissed on the motion of the United States.

It is ordered that the defendant must notify the United States Attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the Court and United States Attorney of material changes in economic circumstances.

May 16, 2013  
Date of Imposition of Judgment

  
James H. Payne  
United States District Judge  
Northern District of Oklahoma

May 21, 2013  
Date

DEFENDANT: Joshua Wayne Lankford  
CASE NUMBER: 09-CR-013-003-JHP

### IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of: Eighty-four months.

- The court makes the following recommendations to the Bureau of Prisons:  
The Court recommends the defendant be placed in a facility as close to Nashville, Tennessee, as possible.
  
- The defendant is remanded to the custody of the United States Marshal.
  
- The defendant shall surrender to the United States Marshal for this district:  
 at \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_ .  
 as notified by the United States Marshal.
  
- The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:  
 before 12 noon on \_\_\_\_\_ .  
 as notified by the United States Marshal.  
 as notified by the Probation or Pretrial Services Office.

### RETURN

I have executed this judgment as follows:

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_  
at \_\_\_\_\_, with a certified copy of this judgment.

\_\_\_\_\_  
UNITED STATES MARSHAL

By \_\_\_\_\_  
DEPUTY UNITED STATES MARSHAL

DEFENDANT: Joshua Wayne Lankford  
CASE NUMBER: 09-CR-013-003-JHP

### SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of: Three years.

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance and submit to one drug test within 15 days of release on supervised release and at least two periodic drug tests within 120 days for use of a controlled substance.

- The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse, but authority to administer drug testing for cause is retained. (Check, if applicable.)
- The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if applicable.)
- The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)
- The defendant shall comply with the requirements of the Sex Offender Registration and Notification Act (42 U.S.C. § 16901, *et seq.*) as directed by the probation officer, the Bureau of Prison, or any state sex offender registration agency in which he or she resides, works, or is a student, or was convicted of a qualifying offense. (Check, if applicable.)
- The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

### STANDARD CONDITIONS OF SUPERVISION

1. The defendant shall not leave the judicial district or other specified geographic area without the permission of the court or probation officer.
2. The defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month.
3. The defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer.
4. The defendant shall support the defendant's dependents and meet other family responsibilities (including, but not limited to, complying with the terms of any court order or administrative process pursuant to the law of a state, the District of Columbia, or any other possession or territory of the United States requiring payments by the defendant for the support and maintenance of any child or of a child and the parent with whom the child is living).
5. The defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons.
6. The defendant shall notify the probation officer at least ten days prior to any change of residence or employment.
7. The defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance, or any paraphernalia related to any controlled substance, except as prescribed by a physician.
8. The defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered, or other places specified by the court.
9. The defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer.
10. The defendant shall permit a probation officer to visit the defendant at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer.
11. The defendant shall notify the probation officer within seven -two hours of being arrested or questioned by a law enforcement officer.
12. The defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court.
13. As directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement (any objection to such notification shall be decided by the district court).
14. The defendant shall pay the special assessment imposed or adhere to a court-ordered installment schedule for the payment of the special assessment.
15. The defendant shall notify the probation officer of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay any unpaid amount of restitution, fines, or special assessments.

DEFENDANT: Joshua Wayne Lankford  
CASE NUMBER: 09-CR-013-003-JHP

### SPECIAL CONDITIONS OF SUPERVISION

1. The defendant shall submit his person, residence, office or vehicle to a search, conducted by the United States Probation Officer at a reasonable time and in a reasonable manner, based upon reasonable suspicion of contraband or evidence of a violation of a condition of release; failure to submit to a search may be grounds for revocation; the defendant shall warn any other residents that the premises may be subject to searches pursuant to this condition.
2. The defendant shall abstain from the use of any form of alcohol or intoxicating beverages.
3. The defendant is prohibited from self-employment for any entity unless approved in advance by the U.S. Probation Office.

DEFENDANT: Joshua Wayne Lankford  
CASE NUMBER: 09-CR-013-003-JHP

**CRIMINAL MONETARY PENALTIES**

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 100	\$ N/A	\$ Waived

The determination of restitution is deferred until \_\_\_\_\_, An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination.

The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
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TOTALS	\$ _____	0	\$ _____	0
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Restitution amount ordered pursuant to plea agreement \$ \_\_\_\_\_

The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

The court determined that the defendant does not have the ability to pay interest and it is ordered that:

the interest requirement is waived for the  fine  restitution.

the interest requirement for the  fine  restitution is modified as follows:

\* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: Joshua Wayne Lankford  
CASE NUMBER: 09-CR-013-003-JHP

### SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A  Lump sum payment of \$ 100 due immediately, balance due
  - not later than \_\_\_\_\_, or
  - in accordance with  C,  D,  E, or  F below; or
- B  Payment to begin immediately (may be combined with  C,  D, or  F below); or
- C  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment; or
- D  Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \$ \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E  Payment during the term of supervised release will commence within \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F  Special instructions regarding the payment of criminal monetary penalties:

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:  
\$250,000 is forfeited as directed in the Agreed Order of Forfeiture Money Judgment, Dkt. # 489.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

OCT 31 2011

Phil Lombardi, Clerk  
U.S. DISTRICT COURT

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

**UNITED STATES OF AMERICA, )**

**Plaintiff, )**

**v. )**

**JOSHUA WAYNE LANKFORD )**

**Defendant. )**

**Case Number 09-CR-13-GKF**

**AFFIDAVIT OF SPECIAL AGENT JAROM GREGORY  
IN SUPPORT OF REQUEST FOR EXTRADITION**

I, Jarom Gregory, being duly sworn, depose and state:

1. I am a citizen of the United States, residing in Owasso, Oklahoma.
2. I am a Special Agent employed by the Internal Revenue Service, Criminal Investigative Division ("IRS-CID") in Tulsa, Oklahoma. I have been an IRS-CID agent for five years. As an IRS-CID agent, I am authorized to investigate violations of laws of the United States and to execute warrants issued under the authority of the United States. As part of my current duties, I investigate violations of U.S. law involving fraud, particularly "white-collar" corporate and securities fraud. I have received training as a criminal investigator and have been a case agent in numerous criminal fraud investigations.

3. The investigation detailed in this affidavit was being conducted by IRS-CID, the Federal Bureau of Investigation, and the United States Postal Inspection Service, in conjunction with the United States Department of Justice.

4. Since approximately July 2007, I have been engaged in an extensive criminal securities fraud investigation. That investigation resulted in the indictment of five individuals: Joshua Wayne LANKFORD ("LANKFORD"), David Gordon ("Gordon"), Richard Clark

(“Clark”), James Reskin (“Reskin”), and Dean Sheptycki (“Sheptycki”) (collectively, the “defendants”). The defendants were charged with various offenses related to their participation in a fraudulent stock manipulation scheme. In April 2010, Reskin pleaded guilty to one count of conspiracy to commit securities fraud, wire fraud, and money laundering, and one count of obstruction of justice. In May 2010, following a three week trial, Gordon and Clark were convicted on multiple counts, including conspiracy to commit securities fraud, wire fraud, and money laundering; securities fraud; wire fraud; money laundering; and false statements.

5. The defendants were engaged in a stock manipulation scheme from approximately April 2004 until December 2006. Specifically, the defendants were engaged in a “pump and dump” scheme in which they manipulated three publicly traded penny stocks: National Storm Management (“NLST”), Deep Rock Oil and Gas (“DPRK”), and Global Beverage Solutions (“GBVS”). A “penny stock” is a company whose shares trade for a small amount (typically less than five dollars per share) and are traded over the counter through quotation services like Pink Sheets rather than on a national exchange like the New York Stock Exchange or NASDAQ. A “pump and dump” scheme involves artificially inflating the price of an owned stock through false and misleading positive statements, in order to sell the cheaply purchased stock at a higher price, thereby making a profit.

6. LANKFORD was one of the organizers of the scheme. He was a licensed stock broker and part-owner of a securities brokerage firm called Barron Moore. Gordon was another organizer of the scheme. He was an attorney whose work involved converting private companies into public companies. Gordon shared an office with Clark. Sheptycki was a stock promoter, and Reskin was another attorney. The defendants knew each other through their work with penny stocks.

7. Mark Lindberg was one of the organizers of the scheme. In July 2008, Lindberg pleaded guilty to conspiracy to commit wire fraud and securities fraud. During the Gordon and Clark criminal trial, Lindberg testified about his participation in several meetings among the organizers of the scheme, including himself, LANKFORD, and Gordon, in which they discussed how to manipulate a particular stock for profit. In his testimony, Lindberg provided an overview of how the scheme worked. He testified that the defendants first obtained a majority of the shares of stock of the company they intended to manipulate. To obtain the shares, the defendants merged a private company (one that does not have publicly traded stock) with a public shell company, which is a company that has no assets or revenue but has stock available for public trading. The defendants then deposited the shares of the new, combined company with different nominees, such as friends, relatives, or other companies that they owned and/or controlled. Using nominees allowed the defendants to conceal the defendants' ownership of shares. The shares of these newly-formed companies were restricted, meaning they could not be traded in the open market, in contrast to free-trading shares which can be bought and sold without restriction in the open market.

8. Matthew Crockett was another individual who participated in the relevant conduct. During the criminal trial, Crockett testified that he worked for LANKFORD and the other conspirators setting up brokerage accounts and trading securities. Crockett provided credible testimony that LANKFORD was involved in setting up nominee accounts at the securities brokerage firm Barron Moore that were used to trade all three of the stocks involved in the scheme. Crockett opened an account named "Evervital" for LANKFORD that traded shares of NLST, DPRK, and GBVS owned by LANKFORD. For example, Barron Moore monthly account statements for the "Evervital" account show that on August 29, 2005, LANKFORD

received 107,850 shares of NLST; on October 14, 2005, LANKFORD received 3,000,000 shares of DPRK; and on December 28, 2005, LANKFORD received 1,250,000 shares of GBVS.

9. Evidence at trial included a fax dated November 23, 2005, from Gordon in Tulsa, Oklahoma, to Barron Moore in Dallas, Texas, confirming a prior instruction to transfer GBVS stock to an account in the name of "Gibraltar." Brokerage account records from Barron Moore show a transfer on December 13, 2005, of 1,250,000 shares of GBVS stock to the "Gibraltar" account. According to Lindberg and confirmed by independent sources of information, the "Gibraltar" account was owned by defendant Sheptycki. The faxing of the letter furthered the scheme by facilitating the conspirators' manipulation of the sale and purchase of large quantities of GBVS stock.

10. Defendant Gordon is an attorney. Gordon wrote or employed others to write letters to the transfer agent for NLST, DPRK, and GBVS offering a legal opinion that the shares met the necessary legal qualifications to be free-trading. A transfer agent is a person or entity that keeps track of share ownership as well as which shares of a company are restricted and which are free-trading. These opinion letters instructed the transfer agent to convert the restricted shares of NLST, DPRK, and GBVS to free-trading shares.

11. For example, evidence at trial included a legal opinion letter, dated September 17, 2004, sent by Gordon to the transfer agent for NLST directing the removal of trading restrictions on NLST stock. Gordon faxed this opinion letter from his office in Tulsa, Oklahoma, to the transfer agent in Dallas, Texas. This letter allowed the shares of NLST to be freely traded in the open market, shares that LANKFORD owned and ultimately traded as part of the fraudulent scheme. Similarly, evidence at trial included a copy of another legal opinion letter, dated April 25, 2005, faxed by Gordon from his Tulsa, Oklahoma, office to the transfer agent for

DPRK in Dallas, Texas. Like the NLST opinion letter, this opinion letter instructed the transfer agent to remove the restrictive legend from the restricted stock, thereby making it free-trading stock. This opinion letter also was in furtherance of the scheme because it allowed the shares of DPRK to be freely traded in the open market, shares that LANKFORD owned and ultimately traded as part of the fraudulent scheme. Finally, evidence at trial included a legal opinion letter, dated December 30, 2005, faxed by Gordon from Tulsa, Oklahoma to the transfer agent for GBVS in Plano, Texas, instructing him to convert restricted shares of GBVS into free-trading shares. Like the other two opinion letters, this letter allowed the defendants, including LANKFORD, to trade shares of GBVS in the open market.

12. The next part of the scheme was “pumping” the stock, according to Lindberg’s testimony and confirmed by other sources of information. The defendants accomplished this primarily through massive promotional campaigns in which unsolicited fax and e-mail “blasts” were sent to millions of potential investors. These blasts touted the respective companies in order to induce unsuspecting legitimate investors to purchase stock in those companies, causing the price of the stocks to increase.

13. Evidence at trial included promotional materials promoting NLST, DPRK, and GBVS. These promotional materials included fax blasts, which are single-page informational sheets sent by facsimile to a large number of potential investors. Judd Brazer, another individual who participated in the relevant conduct, testified during the criminal trial that he was hired by Sheptycki to send out fax blasts separately promoting these three companies, and he sent promotional faxes on 10-20 occasions, with the average blast including approximately 500,000 faxes. Brazer used a company in Hong Kong to send the fax blasts because it was harder to trace the fax blasts from there.

14. On their face, these fax blasts sought to induce potential investors to purchase stock in NLST, DPRK, and GBVS. For example, on August 31, 2005, a fax blast disseminated to promote the stock of NLST stated: "KATRINA MEANS NATIONAL STORM (NLST) IS POISED FOR A MASSIVE RUN UP AS DEMAND TO REPAIR HOMES SKYROCKETS." Similar fax blasts promoting NLST were disseminated on September 1 and 6, 2005. On September 11, 2005, a fax blast disseminated to promote the stock of DPRK stated: "WE WERE RIGHT LAST WEEK TO THE TUNE OF A FOUR-DAY 435% PROFIT . . . NOW, AS WASHINGTON MAKES ALL THE WRONG MOVES IN THE WAKE OF KATRINA, DEEP ROCK OIL & GAS COULD LEAD YOU TO PROFITS OF UP TO 1008%." Similar fax blasts promoting DPRK were disseminated on September 13, 14, 16, and 22, 2005. On November 29, 2005, a fax blast disseminated to promote the stock of GBVS stated: "WOULD YOU INVEST \$100 TODAY FOR \$2,300 TWO YEARS FROM NOW" . . . "Buy GBVS at the market . . . Sit back and hold on tight. It should be a good ride." Similar fax blasts promoting GBVS were disseminated on December 1 and 7, 2005. According to Lindberg, LANKFORD reviewed several of these types of fax blasts before they were disseminated by Sheptycki.

15. According to Lindberg and Crockett and confirmed by independent sources of information, the other defendants paid Sheptycki in cash and stock for the fax blasts. On August 29, 2005, Sheptycki emailed Gordon with payment instructions for a fax blast promoting NLST.

16. The promotional materials also included email blasts, which are informational advertisements sent by unsolicited emails to a large number of potential investors. Ty Hoffer, an individual who participated in the relevant conduct, testified at trial that he was hired to send out email blasts and that he sent email on multiple occasions promoting NLST, DPRK, and GBVS and stated that on average, an email "blast" was sent to approximately 40,000 recipients. On

their face, much like the fax blasts, these email blasts sought to induce potential investors to purchase stock in NLST, DPRK, and GBVS.

17. Hoffer also testified that he received payments for the email blasts from both LANKFORD and Gordon. Bank records show that on September 9, 2005, Gordon sent a wire transfer of approximately \$57,000 from his Bank of America account, held in the name of G. David Gordon & Associates, PC to an account at Chase Bank held under the name Winning Investments, which is an account owned by the individual described above who was hired to send the email blasts. Also, on September 20, 2005, Gordon sent a wire transfer of approximately \$81,000 from his Bank of America account to the Winning Investments account held at Chase Bank. Information provided by the individual who owns the Winning Investment account, as well as the timing of an email blast promoting NLST sent on September 12, 2005 and an email blast promoting DPRK sent on September 22, 2005, shows that these wire transfers were payment for email blasts promoting NLST and DPRK. Similarly, bank records show that on December 29, 2005, a wire transfer of \$120,000 was sent from LANKFORD's Bank of America account, held in the name of LANKFORD Media Group, LLC to the same Winning Investments account at Chase Bank. Hoffer testified that this payment was for an email blast promoting GBVS.

18. According to Lindberg and confirmed by independent sources of information, in addition to email and fax blasts, the defendants "pumped" the stocks of DPRK and GBVS through advertising brochures. The purpose of these brochures, like that of the fax and email blasts, was to entice unsuspecting investors to purchase stock in DPRK and GBVS so that the defendants could sell their shares of those stocks after the price increased. Evidence at trial included a letter approving an advertising brochure for DPRK that Gordon faxed on January 30,

2006, from Tulsa, Oklahoma, to the vendor in Moline, Illinois, that was responsible for producing the advertising brochure. The letter is written on letterhead from Gordon's law firm, and Gordon's law firm's name and fax number appear on the sender's line at the top of the fax. Evidence at trial included a letter from Clark approving a GBVS advertising brochure that was faxed from Tulsa, Oklahoma, to Moline, Illinois, on March 6, 2006. Gordon's law's firm name and fax number also appear on the sender's line at the top of this fax.

19. According to Lindberg and confirmed by other sources of information, before sending out the fax and email "blasts," the defendants worked together in order to buy and sell shares amongst themselves and their nominees for the purpose of creating the appearance of an active market for the stocks. This process is called "priming," and it made the fax and email "blasts" more effective. Lindberg testified at trial that LANKFORD used friends in order to "prime" the stocks before email and fax blasts were sent promoting the particular stock that was being manipulated. Lindberg also stated that LANKFORD had phone discussions with Lindberg and others to coordinate their "priming."

20. Defendants "pumping" caused the price of the stock to increase. For example, the share price of DPRK between July 11 and September 11, 2005 ranged from \$.07 to \$.18 per share. Defendants' first promotion of DPRK, a fax blast, occurred on September 11, 2005. By September 23, 2005, DPRK's stock price had increased six-fold to \$1.11 per share. Over the course of the next several weeks, the share price of DPRK stock fluctuated as the defendants continued their illegal "pumping" activities.

21. After "pumping" and "priming" the stocks, the defendants "dumped" their stock, meaning they and their nominees sold large volumes of their own shares at the artificially-

inflated prices. After the defendants “dumped” their shares, the price of each stock dropped, leaving other investors holding stock worth less than they had paid for it.

22. For example, account statements from Barron Moore show that the “Evervital” account controlled by LANKFORD sold shares of DPRK following dissemination of promotional materials for DPRK. Evidence at trial included an email blast for DPRK that was sent on October 14, 2005. Account statements for the “Evervital” account show that, three days later on October 17, 2005, LANKFORD sold 82,800 shares of DPRK for \$42,039.38 at \$0.54 per share. The following day LANKFORD sold an additional 78,500 shares of DPRK for \$38,807.42 at \$0.52 per share. A review of the account statements for the “Evervital” account from April 2004 through December 2006 show that it earned approximately \$3 million in profits from trading in NLST, DPRK, and GBVS stock.

23. Other similar share sales were made by LANKFORD’s co-conspirators in furtherance of the fraud. For example, account records show that on September 6, 2005, 70,000 shares of NLST were sold from a brokerage account held at Scottrade by Gordon at a price of between \$2.47 and \$3.14 per share, with the sale earning \$190,146.07 in proceeds. On September 22, 2005, account records show that a brokerage account held at Charles Schwab by Clark sold 158,700 shares of DPRK at a price of between \$0.87 and \$0.98 per share, with the sale earning \$149,172.65 in proceeds. Account records show that on September 26, 2005, 10,500 shares of DPRK were sold at \$1.11 per share from a brokerage account at Scottrade held by Gordon, with the sale earning \$11,626.49 in proceeds. On December 23, 2005, account records show that a brokerage account held at Barron Moore by Gordon sold 471,000 shares of GBVS at \$1.20 per share, earning \$538,398.04 in proceeds. Finally, account records show that on December 27, 2005, 363,300 shares of GBVS were sold from a brokerage account at Barron

Moore held by Gordon for \$1.26 per share, which earned \$436,017.34 in proceeds. For all of these sales, the price per share of the respective stock had increased significantly prior to the sales and after either fax or email blasts from the defendants were disseminated.

24. LANKFORD also owned a company named Lankford Media Group, LLC (“LMG”), as evidenced by LMG account statements from Bank of America that list LANKFORD as the beneficial owner of that account. A review of the account statements for LMG from April 2004 through December 2006 show that it earned approximately \$1.8 million in profits from trading in stocks of NLST, DPRK, and GBVS.

25. Evidence at trial established that LANKFORD and his co-conspirators earned more than \$43.9 million in net trading proceeds from the fraudulent scheme.

26. Additionally, bank and brokerage account records show that after having “pumped” and “dumped” the different stocks, the defendants transferred proceeds derived from the sale of the fraudulently manipulated securities among themselves. Evidence at trial included how investigators used bank and brokerage firm account statements to trace proceeds from the sale of manipulated stock being transferred from one defendant’s brokerage firm account to a bank or brokerage account of another defendant. The investigators were able to do this by analyzing the timing and amount of stock sales, of influxes of funds into a defendant’s brokerage account resulting from stock sales, and of subsequent transfers of funds to another defendant’s brokerage or bank account. For example:

- on August 8, 2005, a wire transfer of \$140,000 derived from proceeds of the sale of GBVS stock was sent from Reskin’s PNC Bank account, held in the name of Reskin & Associates, to Gordon’s Bank of America account, held in the name of G. David Gordon & Associates, PC;

- on September 19, 2005, a wire transfer of \$112,500 derived from proceeds from the sale of DPRK stock was sent from Gordon's Bank of America account, held in the name of G. David Gordon & Associates, PC, to Sheptycki's Citibank account, held in the name of Coyote Investment Holdings Ltd.;
- on December 12, 2005, a wire transfer of \$245,000 derived from proceeds from the sale of GBVS stock was sent from Reskin's PNC Bank account, held in the name of James A. Reskin & Associates Trust, to Gordon's Bank of America account, held in the name of G. David Gordon & Associates, PC;
- on December 21, 2005, a wire transfer of \$330,000 derived from proceeds from the sale of GBVS stock was sent from Reskin's PNC Bank account, held in the name of James A. Reskin & Associates Trust, to Gordon's Bank of America account, held in the name of G. David Gordon & Associates, PC;
- on May 25, 2006, a wire transfer of \$250,000 derived from the proceeds of GBVS stock sales in the LMG brokerage account at Barron Moore was sent from the LANKFORD's LMG account at Bank of America to a Bank of America account held in the name of G. David Gordon & Associates, PC; and
- on July 20, 2006, \$120,000 derived from the proceeds from the sale of GBVS stock was wired from the G. David Gordon & Associates, PC account at Bank of America to LANKFORD's LMG Bank of America account.

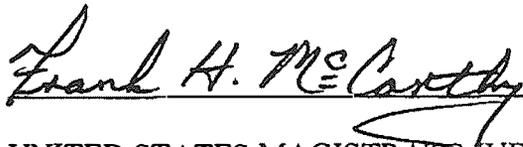
27. In September 2008, the Financial Industry Regulatory Authority ("FINRA"), which regulates U.S. securities brokerage firms on behalf of the major U.S. stock exchanges, expelled the brokerage firm Barron Moore from participation in the U.S. securities industry. At

the same time, FINRA barred LANKFORD personally from participation in the U.S. securities industry.

28. I have attached to my affidavit as **Attachment 1** two photographs of LANKFORD. During the course of the investigation, I met LANKFORD in person, and the person I met is the same person depicted in these photographs.

  
JAROM GREGORY  
Special Agent, Internal Revenue Service

Subscribed and sworn to before me this 31<sup>st</sup> day of OCT. 2011.



UNITED STATES MAGISTRATE JUDGE  
United State District Court for the Northern District of Oklahoma





CLOSED,DISCREP,STAY/D

**U.S. District Court**  
**U.S. District Court for the Northern District of Oklahoma**  
**(Tulsa)**  
**CIVIL DOCKET FOR CASE #: 4:09-cv-00061-CVE-FHM**

Securities and Exchange Commission v.  
 Gordon, et al  
 Assigned to: Judge Claire V Eagan  
 Referred to: Magistrate Judge Frank H  
 McCarthy  
 Case in other court: 10th Circuit, 11-05158  
 (#109)  
 Cause: 15:77 Securities Fraud

Date Filed: 02/10/2009  
 Date Terminated: 09/28/2011  
 Jury Demand: Plaintiff  
 Nature of Suit: 850  
 Securities/Commodities  
 Jurisdiction: U.S. Government  
 Plaintiff

**Plaintiff**

**Securities and Exchange  
Commission**

represented by **Alan Marc Lieberman**  
 Securities and Exchange  
 Commission (Washington)  
 100 F ST NE  
 WASHINGTON, DC 20549-  
 4030  
 202-551-4474  
 Fax: 202-772-9245  
 Email: liebermana@sec.gov  
*LEAD ATTORNEY*  
*ATTORNEY TO BE*  
*NOTICED*

**Matthew L Skidmore**  
 Securities and Exchange  
 Commission (Washington)  
 100 F ST NE  
 WASHINGTON, DC 20549-

4030  
202-551-4571  
*LEAD ATTORNEY*  
*ATTORNEY TO BE*  
*NOTICED*

V.

**Intervenor Plaintiff**

**United States of America**

represented by **Catherine J Depew**

United States Attorney's  
Office (Tulsa)  
110 W 7TH ST STE 300  
TULSA, OK 74119-1013  
918-382-2700  
Fax: 918-560-7939  
Email:  
catherine.depew@usdoj.gov  
*LEAD ATTORNEY*  
*ATTORNEY TO BE*  
*NOTICED*

V.

**Defendant**

**George David Gordon**

represented by **George David Gordon**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

PRO SE

**Thomas Orlo Gorman**  
Porter Wright Morris &  
Arthur LLP (DC)  
1919 PENNSYLVANIA

AVE NW STE 500  
WASHINGTON, DC 20006  
202-778-3004  
Fax: 202-778-3063  
Email:  
tgorman@porterwright.com  
*TERMINATED: 12/31/2010*  
*LEAD ATTORNEY*

**William Peter McGrath , Jr**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

*TERMINATED: 12/31/2010*  
*LEAD ATTORNEY*

**Defendant**

**Joshua Wayne Lankford**  
*TERMINATED: 07/27/2011*

**Defendant**

**Dean Joseph Sheptycki**

**Counter Claimant**

**George David Gordon**

represented by **George David Gordon**  
(See above for address)  
PRO SE

**Thomas Orlo Gorman**  
(See above for address)  
*TERMINATED: 12/31/2010*  
*LEAD ATTORNEY*

**William Peter McGrath , Jr**  
(See above for address)

*TERMINATED: 12/31/2010*  
*LEAD ATTORNEY*

**Counter Defendant**

**United States of America** represented by **Catherine J Depew**  
 (See above for address)  
*LEAD ATTORNEY*  
*ATTORNEY TO BE*  
*NOTICED*

<b>Date Filed</b>	<b>#</b>	<b>Docket Text</b>
02/10/2009	<u>1</u>	CIVIL COVER SHEET by Securities and Exchange Commission (sjm, Dpty Clk) (Entered: 02/11/2009)
02/10/2009	<u>2</u>	COMPLAINT with Jury Demand against all defendants by Securities and Exchange Commission (sjm, Dpty Clk) (Entered: 02/11/2009)
02/10/2009	<u>3</u>	NOTICE of Related Case(s) by Securities and Exchange Commission (sjm, Dpty Clk) (Entered: 02/11/2009)
02/10/2009	<u>4</u>	ATTORNEY APPEARANCE by Alan Marc Lieberman on behalf of Securities and Exchange Commission (sjm, Dpty Clk) (Entered: 02/11/2009)
02/10/2009	<u>5</u>	SUMMONS Issued by Court Clerk as to George David Gordon, Joshua Wayne Lankford, Dean Joseph Sheptycki (sjm, Dpty Clk) (Entered: 02/11/2009)
02/18/2009	<u>6</u>	MINUTE ORDER, recusing Magistrate Judge T Lane Wilson. Magistrate Judge Frank H McCarthy reassigned to case., changing case number to 09-cv-61-CVE-FHM (crp, Dpty Clk) (Entered: 02/18/2009)
04/13/2009	<u>7</u>	NOTICE Notice of Appearance by George David Gordon (McGrath, William) Modified on 4/14/2009 to seal PDF; ENTERED IN ERROR, wrong PDF attached (tjc, Dpty Clk). (Entered: 04/13/2009)
04/13/2009	<u>8</u>	

		NOTICE Notice of Appearance by George David Gordon (Gorman, Thomas) Modified on 4/14/2009 to seal PDF; ENTERED IN ERROR, wrong PDF attached (tjc, Dpty Clk). (Entered: 04/13/2009)
04/13/2009	<u>9</u>	MOTION to Dismiss by George David Gordon (With attachments) (Gorman, Thomas) (Entered: 04/13/2009)
04/14/2009	<u>10</u>	ATTORNEY APPEARANCE by William Peter McGrath, Jr on behalf of George David Gordon (McGrath, William) (Entered: 04/14/2009)
04/14/2009	<u>11</u>	ATTORNEY APPEARANCE by Thomas Orlo Gorman on behalf of George David Gordon (Gorman, Thomas) (Entered: 04/14/2009)
04/14/2009	<u>12</u>	MINUTE ORDER by Chief Judge Claire V Eagan <i>directing counsel for defendant G. David Gordon to provide forthwith for the Court's use a manual three-ring bound copy of the pleading and exhibits as filed at Dkt. # 9 (Re: <u>9</u> MOTION to Dismiss )</i> (RGG, Chambers) (Entered: 04/14/2009)
04/14/2009		NOTICE of Docket Entry Modification; Error: Incorrect PDF attached; Correction: Sealed PDF and edited docket text to reflect entered in error (Re: <u>8</u> Notice (Other), <u>7</u> Notice (Other) ) (tjc, Dpty Clk) (Entered: 04/14/2009)
05/01/2009	<u>13</u>	RESPONSE in Opposition to Motion (Re: <u>9</u> MOTION to Dismiss ) by Securities and Exchange Commission ; (With attachments) (Massey, Marsha) (Entered: 05/01/2009)
05/14/2009	<u>14</u>	MOTION for Leave to Exceed Page Limitation by George David Gordon (With attachments) (Gorman, Thomas) Modified on 5/15/2009 to correct title of event (lml, Dpty Clk). (Entered: 05/14/2009)
05/15/2009		NOTICE of Docket Entry Modification; Error: This was filed using the incorrect event (Motion for Leave to File Document); Correction: Edited docket text to reflect

		correct event (Motion to Exceed Page Limitation) (Re: <u>14</u> MOTION for Leave to Exceed Page Limitation ) (lml, Dpty Clk) (Entered: 05/15/2009)
05/15/2009	<u>15</u>	MINUTE ORDER by Chief Judge Claire V Eagan ; granting <u>14</u> Motion for Leave to Exceed Page Limitation (Re: <u>9</u> MOTION to Dismiss ) (RGG, Chambers) (Entered: 05/15/2009)
05/15/2009	<u>16</u>	REPLY to Response to Motion (Re: <u>9</u> MOTION to Dismiss ) by George David Gordon ; (With attachments) (Gorman, Thomas) (Entered: 05/15/2009)
05/19/2009	<u>17</u>	MOTION for Leave to File Motion for Leave to File Supplemental Memorandum in Support of Motion to Dismiss (Re: <u>9</u> MOTION to Dismiss ) by George David Gordon (Gorman, Thomas) (Entered: 05/19/2009)
05/20/2009	<u>18</u>	ORDER by Chief Judge Claire V Eagan ; denying <u>17</u> Motion for Leave to File Document(s) (Re: <u>9</u> MOTION to Dismiss ) (RGG, Chambers) (Entered: 05/20/2009)
06/11/2009	<u>19</u>	OPINION AND ORDER by Chief Judge Claire V Eagan ; denying <u>9</u> Motion to Dismiss (Re: <u>2</u> Complaint ) (RGG, Chambers) (Entered: 06/11/2009)
06/11/2009	<u>20</u>	ORDER by Chief Judge Claire V Eagan, directing parties to file joint status report( Status Report due by 7/13/2009) (RGG, Chambers) (Entered: 06/11/2009)
06/24/2009	<u>21</u>	MOTION to Intervene, MOTION to Stay <i>Discovery and Proceedings</i> by United States of America (Depew, Catherine) (Entered: 06/24/2009)
06/24/2009	<u>22</u>	BRIEF in Support of Motion (Re: <u>21</u> MOTION to Intervene MOTION to Stay <i>Discovery and Proceedings</i> ) by United States of America ; (With attachments) (Depew, Catherine) (Entered: 06/24/2009)
06/24/2009	<u>23</u>	Unopposed MOTION for Extension of Time to Answer <i>Complaint and File Joint Status Report</i> (Re: <u>2</u>

		Complaint ) by George David Gordon (With attachments) (McGrath, William) (Entered: 06/24/2009)
07/13/2009	<u>24</u>	RESPONSE in Opposition to Motion (Re: <u>21</u> MOTION to Intervene MOTION to Stay <i>Discovery and Proceedings</i> ) by George David Gordon ; (With attachments) (Gorman, Thomas) (Entered: 07/13/2009)
07/27/2009	<u>25</u>	REPLY to Response to Motion (Re: <u>21</u> MOTION to Intervene MOTION to Stay <i>Discovery and Proceedings</i> ) by United States of America ; (With attachments) (Depew, Catherine) (Entered: 07/27/2009)
07/28/2009	<u>26</u>	OPINION AND ORDER by Chief Judge Claire V Eagan <i>directing Court Clerk to add the United States of America as a party plaintiff; CASE STAYED; plaintiffs are directed to move to lift the stay within 15 days of completion of the criminal proceedings; striking all other deadlines in this matter ; striking/terminating deadline (s)/Hearing(s); staying case; granting <u>21</u> Motion to Intervene; granting <u>21</u> Motion to Stay; finding as moot <u>23</u> Motion for Extension of Time to Answer (Re: <u>2</u> Complaint ) (RGG, Chambers) (Entered: 07/28/2009)</i>
11/04/2010	<u>27</u>	First MOTION to Lift Stay by Securities and Exchange Commission (With attachments) (Lieberman, Alan) (Entered: 11/04/2010)
11/24/2010	<u>28</u>	RESPONSE in Opposition to Motion (Re: <u>27</u> First MOTION to Lift Stay ) by George David Gordon ; (Gorman, Thomas) (Entered: 11/24/2010)
11/30/2010	<u>29</u>	MOTION to Withdraw Attorney(s) by George David Gordon (With attachments) (Gorman, Thomas) (Entered: 11/30/2010)
12/01/2010	<u>30</u>	ORDER by Chief Judge Claire V Eagan <i>that, SUBJECT TO CONDITIONS AND EFFECTIVE UPON ENTRY OF APPEARANCE OF SUBSTITUTE COUNSEL, the motion to withdraw is granted regarding attorneys Gorman and McGrath, Jr., and moot as to attorneys</i>

		<i>Koespsel and Hale for defendant David Gordon; appearance by substitute counsel due no later than December 21, 2010. ; granting <u>29</u> Motion to Withdraw Attorney(s) (RGG, Chambers) (Entered: 12/01/2010)</i>
12/01/2010	<u>31</u>	OPINION AND ORDER by Chief Judge Claire V Eagan ; lifting the stay; directing parties to file joint status report( Status Report due by 12/22/2010); granting <u>27</u> Motion to Lift Stay (Re: <u>26</u> Opinion and Order, Striking/Terminating Deadline(s)/Hearing(s),, Staying Case, Ruling on Motion to Intervene, Ruling on Motion to Stay, Ruling on Motion for Extension of Time to Answer,, Striking/Terminating Deadline(s)/Hearing (s),,,,,, Striking/Terminating Deadline(s)/Hearing(s),,,,,, <u>2</u> Complaint, <u>30</u> Order, Ruling on Motion to Withdraw Attorney(s),, Ruling on Motion to Withdraw Attorney (s) ) (RGG, Chambers) (Entered: 12/01/2010)
12/16/2010	<u>32</u>	Unopposed MOTION for Extension of Time to Answer (Re: <u>2</u> Complaint ) by George David Gordon (Gorman, Thomas) (Entered: 12/16/2010)
12/16/2010	<u>33</u>	MINUTE ORDER by Chief Judge Claire V Eagan <i>that defendant George David Gordon may file his answer or other responsive pleading no later than January 11, 2011 ; granting <u>32</u> Motion for Extension of Time to Answer (Re: <u>2</u> Complaint ) (RGG, Chambers) (Entered: 12/16/2010)</i>
12/22/2010	<u>34</u>	JOINT STATUS REPORT by Securities and Exchange Commission, George David Gordon (Lieberman, Alan) Modified on 12/23/2010 to add filer (sac, Dpty Clk). (Entered: 12/22/2010)
12/23/2010		NOTICE of Docket Entry Modification; Error: not all filers were selected; Correction: added George David Gordon as a filer (Re: <u>34</u> Joint Status Report per Local Rule 16.1 ) (sac, Dpty Clk) (Entered: 12/23/2010)
12/23/2010	<u>35</u>	

		SCHEDULING ORDER by Chief Judge Claire V Eagan, setting/resetting scheduling order date(s): ( Discovery due by 6/30/2011, Dispositive Motions due by 8/4/2011, Proposed Pretrial Order due by 9/19/2011, Pretrial Conference set for 9/26/2011 at 10:00 AM before Chief Judge Claire V Eagan, Jury Trial set for 10/17/2011 at 09:15 AM before Chief Judge Claire V Eagan) (RGG, Chambers) (Entered: 12/23/2010)
12/31/2010	<u>36</u>	NOTICE Notice of Filing of Notice to Proceed in Propria Persona by David Gordon by George David Gordon (With attachments) (McGrath, William) (Entered: 12/31/2010)
01/14/2011	<u>37</u>	ANSWER (Re: <u>2</u> Complaint ) by George David Gordon (s-srl, Dpty Clk) (Entered: 01/18/2011)
01/14/2011	<u>38</u>	COUNTERCLAIM against United States of America by George David Gordon (s-srl, Dpty Clk) (Entered: 01/18/2011)
01/26/2011	<u>39</u>	NOTICE of Filing Bankruptcy by George David Gordon (s-srl, Dpty Clk) (Entered: 01/26/2011)
01/31/2011	<u>40</u>	ANSWER (Re: <u>38</u> Counterclaim ) by Securities and Exchange Commission (Lieberman, Alan) (Entered: 01/31/2011)
02/09/2011	<u>41</u>	NOTICE Declaration of Service of Process on Defendants Sheptycki and Lankford by Securities and Exchange Commission (Lieberman, Alan) (Entered: 02/09/2011)
02/11/2011	<u>42</u>	First MOTION for Entry of Default by Clerk against Joshua Lankford by Securities and Exchange Commission (Lieberman, Alan) Modified on 2/14/2011-STRICKEN PER MINUTE ORDER #43 (lml, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	43	MINUTE ORDER by Chief Judge Claire V Eagan <i>that the proper procedure would be to file a motion for</i>

		<i>clerk's entry of default and to then submit a proposed order through CM/ECF Intake, striking/withdrawing document(s) (Re: <u>42</u> First MOTION for Entry of Default by Clerk against Joshua Lankford ) (Documents Terminated: <u>42</u> First MOTION for Entry of Default by Clerk against Joshua Lankford ) (RGG, Chambers) (Entered: 02/11/2011)</i>
02/11/2011	<u>44</u>	First MOTION for Entry of Default by Clerk <i>Application for Default</i> by Securities and Exchange Commission (Lieberman, Alan) Modified on 2/14/2011 to correct title of event (lml, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	<u>45</u>	First MOTION for Default Judgment against Joshua Wayne Lankford by Securities and Exchange Commission (Lieberman, Alan) (Entered: 02/11/2011)
02/11/2011	<u>46</u>	BRIEF in Support of Motion (Re: <u>45</u> MOTION for Default Judgment) by Securities and Exchange Commission (With attachments) (Lieberman, Alan) Modified on 2/14/2011 to correct title of event and create link to Doc #45 (lml, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	<u>47</u>	AFFIDAVIT in Support of Motion (Re: <u>46</u> First MOTION for Default Judgment against Joshua Wayne Lankford <i>Memorandum in Support</i> ) by Securities and Exchange Commission ; (Lieberman, Alan) (Entered: 02/11/2011)
02/11/2011	<u>48</u>	AFFIDAVIT in Support of Motion (Re: <u>46</u> First MOTION for Default Judgment against Joshua Wayne Lankford <i>Memorandum in Support</i> ) by Securities and Exchange Commission ; (Lieberman, Alan) (Entered: 02/11/2011)
02/11/2011	<u>49</u>	AFFIDAVIT in Support of Motion (Re: <u>46</u> First MOTION for Default Judgment against Joshua Wayne Lankford <i>Memorandum in Support</i> ) by Securities and Exchange Commission ; (With attachments) (Lieberman, Alan) (Entered: 02/11/2011)

02/11/2011	<u>50</u>	AFFIDAVIT in Support of Motion (Re: <u>46</u> First MOTION for Default Judgment against Joshua Wayne Lankford <i>Memorandum in Support</i> ) by Securities and Exchange Commission ; (Lieberman, Alan) (Entered: 02/11/2011)
02/11/2011	<u>51</u>	MOTION for Entry of Default by Clerk against Joshua Wayne Lankford by Securities and Exchange Commission (Lieberman, Alan) Modified on 2/15/2011; Document STRICKEN per Minute Order 58 (tjc, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	<u>52</u>	MOTION for Entry of Default by Clerk against Dean Joseph Sheptycki by Securities and Exchange Commission (Lieberman, Alan) Modified on 2/15/2011; Document STRICKEN per Minute Order 59 (tjc, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	<u>53</u>	MOTION for Entry of Default by Clerk by Securities and Exchange Commission (Lieberman, Alan) Modified on 2/14/2011 to correct title of event (lml, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	<u>54</u>	First MOTION for Default Judgment against Dean Joseph Sheptycki by Securities and Exchange Commission (Lieberman, Alan) (Entered: 02/11/2011)
02/11/2011	<u>55</u>	BRIEF in Support of Motion (Re: <u>54</u> First MOTION for Default Judgment against Dean Joseph Sheptycki ) by Securities and Exchange Commission ; (With attachments) (Lieberman, Alan) (Entered: 02/11/2011)
02/11/2011	<u>56</u>	AFFIDAVIT in Support of Motion (Re: <u>54</u> First MOTION for Default Judgment against Dean Joseph Sheptycki <i>Memorandum in Support</i> ) by Securities and Exchange Commission ; (Lieberman, Alan) Modified on 2/14/2011 to correct link (lml, Dpty Clk). (Entered: 02/11/2011)
02/11/2011	<u>57</u>	AFFIDAVIT in Support of Motion (Re: <u>54</u> First MOTION for Default Judgment against Dean Joseph

		Sheptycki ) by Securities and Exchange Commission ; (Lieberman, Alan) (Entered: 02/11/2011)
02/14/2011	58	MINUTE ORDER by Chief Judge Claire V Eagan <i>striking <u>51</u> as not properly submitted; the proper procedure would be to file a motion and submit a proposed order through the Court's CM/ECF Intake system</i> , striking/withdrawing document(s) (Re: <u>51</u> MOTION for Entry of Default by Clerk against Joshua Wayne Lankford ) (Documents Terminated: <u>51</u> MOTION for Entry of Default by Clerk against Joshua Wayne Lankford ) (RGG, Chambers) (Entered: 02/14/2011)
02/14/2011	59	MINUTE ORDER by Chief Judge Claire V Eagan <i>striking <u>52</u> as improperly submitted (see Dkt. #51, 58 also)</i> , striking/withdrawing document(s) (Re: <u>52</u> MOTION for Entry of Default by Clerk against Dean Joseph Sheptycki ) (Documents Terminated: <u>52</u> MOTION for Entry of Default by Clerk against Dean Joseph Sheptycki ) (RGG, Chambers) (Entered: 02/14/2011)
02/14/2011	<u>60</u>	ORDER by Chief Judge Claire V Eagan <i>that plaintiff is not entitled to clerk's entry of default or default judgment based only on attempted service of Lankford and Sheptycki</i> ; denying <u>44</u> Motion for Entry of Default by Clerk; denying <u>45</u> Motion for Default Judgment; denying <u>46</u> Motion for Default Judgment; denying <u>53</u> Motion for Default Judgment; denying <u>54</u> Motion for Default Judgment (Re: <u>2</u> Complaint ) (RGG, Chambers) (Entered: 02/14/2011)
02/16/2011	<u>61</u>	First MOTION to Reconsider (Re: <u>60</u> Ruling on Motion for Default Judgment,,,, Order,,,, Ruling on Motion for Entry of Default by Clerk,,,, ) by Securities and Exchange Commission (Lieberman, Alan) (Entered: 02/16/2011)
02/17/2011	<u>62</u>	

		OPINION AND ORDER by Chief Judge Claire V Eagan <i>that plaintiff is permitted to reurge its motions for clerk's entry of default and default judgment against Sheptycki using the proper procedure.</i> ; granting <u>61</u> Motion to Reconsider (Re: <u>60</u> Ruling on Motion for Default Judgment,,,, Order,,,, Ruling on Motion for Entry of Default by Clerk,,,, ) (RGG, Chambers) Modified on 2/18/2011 to change event (tjc, Dpty Clk). (Entered: 02/17/2011)
02/18/2011	<u>63</u>	Second MOTION for Entry of Default by Clerk against Dean Joseph Sheptycki by Securities and Exchange Commission (With attachments) (Lieberman, Alan) (Entered: 02/18/2011)
02/18/2011	<u>64</u>	ERRATA/CORRECTION (Re: <u>63</u> Second MOTION for Entry of Default by Clerk against Dean Joseph Sheptycki ) by Securities and Exchange Commission (Lieberman, Alan) (Entered: 02/18/2011)
02/22/2011	<u>65</u>	CLERK'S ENTRY OF DEFAULT by Court Clerk ; granting <u>63</u> Motion for Entry of Default by Clerk (sac, Dpty Clk) (Entered: 02/22/2011)
02/22/2011	<u>66</u>	Second MOTION for Default Judgment against Dean Joseph Sheptycki by Securities and Exchange Commission (With attachments) (Lieberman, Alan) (Entered: 02/22/2011)
03/03/2011	<u>67</u>	ORDER by Chief Judge Claire V Eagan <i>that plaintiff's Second Motion and Memorandum in Support of Entry of Default Judgment against Defendant Dean Joseph Sheptycki (Dkt. # 66) is set for an evidentiary hearing as to the damages and other relief sought by plaintiff on March 11, 2011 at 10:00 a.m., setting/resetting deadline (s)/hearing(s): ( Evidentiary Hearing set for 3/11/2011 at 10:00 AM before Chief Judge Claire V Eagan) (Re: <u>66</u> Second MOTION for Default Judgment against Dean Joseph Sheptycki ) (RGG, Chambers) (Entered: 03/03/2011)</i>

03/11/2011	<u>68</u>	JUDGMENT by Chief Judge Claire V Eagan ; entering default judgment in favor of Plaintiff against Dean Joseph Sheptycki ; granting <u>66</u> Motion for Default Judgment (Re: <u>65</u> Clerk's Entry of Default, Ruling on Motion for Entry of Default by Clerk, <u>2</u> Complaint ) (RGG, Chambers) (Entered: 03/11/2011)
03/11/2011	<u>69</u>	ATTORNEY APPEARANCE by Matthew L Skidmore on behalf of Securities and Exchange Commission (s-srl, Dpty Clk) (Entered: 03/11/2011)
03/11/2011	<u>70</u>	MINUTES of Proceedings - held before Chief Judge Claire V Eagan: Evidentiary Hearing held on 3/11/2011, striking/terminating deadline(s)/Hearing(s) (Re: <u>66</u> Second MOTION for Default Judgment against Dean Joseph Sheptycki, <u>68</u> Judgment,,,, Entering Default Judgment,, Ruling on Motion for Default Judgment, ) (Court Reporter: Greg Bloxom) (With attachments) (pll, Dpty Clk) (Entered: 03/11/2011)
03/11/2011	<u>71</u>	EXHIBIT(S) <i>1-13</i> (Re: <u>70</u> Minutes of Evidentiary Hearing,, Striking/Terminating Deadline(s)/Hearing(s), Striking/Terminating Deadline(s)/Hearing(s),, ) (With attachments) (pll, Dpty Clk) (Entered: 03/11/2011)
03/11/2011	<u>72</u>	EXHIBIT(S) (14-21) (Re: <u>70</u> Minutes of Evidentiary Hearing,, Striking/Terminating Deadline(s)/Hearing(s), Striking/Terminating Deadline(s)/Hearing(s),, ) (With attachments) (pll, Dpty Clk) (Entered: 03/11/2011)
03/18/2011	<u>73</u>	TRANSCRIPT of Proceedings (Unredacted) of Evidentiary Hearing held on 03-11-2011 before Chief Judge Claire V Eagan (Court Reporter: Greg Bloxom) (Pages: 1 - 47). NOTICE RE REDACTION OF TRANSCRIPTS: A party must file a Transcript Redaction Request within 21 calendar days. If a party fails to request redaction, this unredacted transcript may be made electronically available to the public without redaction after 90 calendar days. Any party needing a

		copy of the transcript to review for redaction purposes may view the transcript at the court public terminal at no charge or may purchase a copy from the court reporter. (Re: <u>70</u> Minutes of Evidentiary Hearing, Striking/Terminating Deadline(s)/Hearing(s)) (tgb, Crt Rptr) Modified on 6/16/2011 to remove transcript access restriction (a-hc, Dpty Clk). (Entered: 03/18/2011)
04/29/2011	<u>74</u>	MOTION for Service by Publication by Securities and Exchange Commission (Lieberman, Alan) (Entered: 04/29/2011)
05/02/2011	<u>75</u>	ORDER by Chief Judge Claire V Eagan ( <i>re defendant Lankford</i> ) ; granting <u>74</u> Motion for Service by Publication (Re: <u>2</u> Complaint ) (RGG, Chambers) (Entered: 05/02/2011)
05/03/2011	<u>76</u>	NOTICE Issued by Court Clerk (s-srl, Dpty Clk) (Entered: 05/03/2011)
05/12/2011	<u>77</u>	MINUTE ORDER by Chief Judge Claire V Eagan : <i>It is hereby ordered that the 9/26/2011 Pretrial Conference REMAINS AS SET on 9/26/2011 BUT is passed to a later time. Pretrial Conference set for 9/26/2011 at 01:00 PM, setting/resetting deadline(s)/hearing(s): ( Pretrial Conference set for 9/26/2011 at 01:00 PM before Chief Judge Claire V Eagan) (djh, Dpty Clk) (Entered: 05/12/2011)</i>
05/18/2011	<u>78</u>	MOTION to Accelerate/Extend/Reset Hearing (s)/Deadline(s) (Re: <u>35</u> Scheduling Order,, Setting/Resetting Scheduling Order Date(s), Setting/Resetting Scheduling Order Date(s) ) by Securities and Exchange Commission (Lieberman, Alan) Modified on 5/19/2011 to correct title of event (lml, Dpty Clk). (Entered: 05/18/2011)
05/18/2011	<u>79</u>	MINUTE ORDER by Chief Judge Claire V Eagan, Parties are to take notice that documents are being filed in this matter which incorrectly cite the case number. The

		correct case number, 09-CV-0061-CVE-FHM, should be noted and corrected on all future pleadings. (Re: 6 Minute Order, Recusing Judge, Changing Case Number, <u>78</u> MOTION Extension of Scheduling Order deadlines ) (RGG, Chambers) (Entered: 05/18/2011)
05/19/2011		NOTICE of Docket Entry Modification; Error: This was filed using the incorrect event (Motion for Miscellaneous Relief); Correction: Edtied docket text to reflect correct event (Re: <u>78</u> MOTION to Accelerate/Extend/Reset Hearing(s)/Deadline(s)MOTION to Accelerate/Extend/Reset Hearing(s)/Deadline(s) ) (lml, Dpty Clk) (Entered: 05/19/2011)
05/19/2011	<u>80</u>	ORDER by Chief Judge Claire V Eagan <i>that discovery is stayed pending a ruling on the motion for summary judgment that is to be filed</i> ; denying <u>78</u> Motion to Accelerate/Extend/Reset Hearing(s)/Deadline(s) (Re: <u>35</u> Scheduling Order,, Setting/Resetting Scheduling Order Date(s), Setting/Resetting Scheduling Order Date(s), <u>77</u> Minute Order,, Setting/Resetting Deadline(s)/Hearing(s), Setting/Resetting Deadline(s)/Hearing(s) ) (RGG, Chambers) (Entered: 05/19/2011)
05/24/2011	<u>81</u>	MOTION to Accelerate/Extend/Reset Hearing (s)/Deadline(s) <i>to Modify Scheduling Order</i> , MOTION to Compel <i>Disclosures</i> , MOTION to Stay by George David Gordon (sdc, Dpty Clk) (Entered: 05/24/2011)
05/24/2011	<u>82</u>	MOTION to Stay <i>Case</i> by George David Gordon (sdc, Dpty Clk) (Entered: 05/24/2011)
05/24/2011	<u>83</u>	ORDER by Chief Judge Claire V Eagan ; denying <u>81</u> Motion to Accelerate/Extend/Reset Hearing(s)/Deadline (s); denying <u>81</u> Motion to Compel; denying <u>81</u> Motion to Stay; denying <u>82</u> Motion to Stay (RGG, Chambers) (Entered: 05/24/2011)
06/16/2011	<u>84</u>	MOTION for Summary Judgment <i>As to Defendant George David Gordon</i> by Securities and Exchange

		Commission (With attachments) (Lieberman, Alan) (Entered: 06/16/2011)
06/29/2011	<u>85</u>	NOTICE Notice of Completion of Service by Publication (Re: <u>75</u> Order,, Ruling on Motion for Service by Publication ) by Securities and Exchange Commission (Lieberman, Alan) (Entered: 06/29/2011)
06/30/2011	<u>86</u>	AFFIDAVIT/CERTIFICATE/PROOF of Publication (Re: <u>75</u> Order,, Ruling on Motion for Service by Publication, <u>85</u> Notice (Other) ) by Securities and Exchange Commission (With attachments) (Lieberman, Alan) Modified on 7/1/2011 to change text to reflect correct event (sac, Dpty Clk). (Entered: 06/30/2011)
06/30/2011	<u>87</u>	MOTION for Entry of Default by Clerk against Joshua Wayne Lankford by Securities and Exchange Commission (Lieberman, Alan) (Entered: 06/30/2011)
06/30/2011	<u>88</u>	Second MOTION for Default Judgment against Joshua Wayne Lankford by Securities and Exchange Commission (Lieberman, Alan) (Entered: 06/30/2011)
06/30/2011	<u>89</u>	BRIEF in Support of Motion (Re: <u>88</u> Second MOTION for Default Judgment against Joshua Wayne Lankford ) by Securities and Exchange Commission ; (With attachments) (Lieberman, Alan) (Entered: 06/30/2011)
06/30/2011	<u>90</u>	ERRATA/CORRECTION (Re: <u>85</u> Notice (Other) ) by Securities and Exchange Commission (Lieberman, Alan) (Entered: 06/30/2011)
07/01/2011		<i>***Remark: Clerk's Entry of Default was not entered as the publication states defendant has 41 days to answer and the last publication was 5/24/11 (Re: <u>87</u> MOTION for Entry of Default by Clerk against Joshua Wayne Lankford ) (sac, Dpty Clk) (Entered: 07/01/2011)</i>
07/08/2011	<u>91</u>	MOTION for Extension of Time to Respond to Motion <i>or in the alternative</i> , MOTION to Stay (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant George David</i>

		<i>Gordon</i> ) by George David Gordon (lml, Dpty Clk) (Entered: 07/08/2011)
07/11/2011	<u>92</u>	ORDER by Chief Judge Claire V Eagan ; setting/resetting deadline(s)/hearing(s): ( Responses due by 8/11/2011, Replies due by 8/25/2011); granting <u>91</u> Motion for Extension of Time to Respond to Motion; finding as moot <u>91</u> Motion to Stay (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant George David</i> <i>Gordon</i> ) (RGG, Chambers) (Entered: 07/11/2011)
07/26/2011	<u>93</u>	CLERK'S ENTRY OF DEFAULT by Court Clerk ; granting <u>87</u> Motion for Entry of Default by Clerk (sac, Dpty Clk) (Entered: 07/26/2011)
07/27/2011	<u>94</u>	JUDGMENT by Chief Judge Claire V Eagan ; entering default judgment in favor of plaintiff against Joshua Wayne Lankford ; terminating party Joshua Wayne Lankford ; granting <u>88</u> Motion for Default Judgment (Re: <u>2</u> Complaint, <u>93</u> Clerk's Entry of Default, Ruling on Motion for Entry of Default by Clerk ) (RGG, Chambers) (Entered: 07/27/2011)
08/15/2011	<u>95</u>	MOTION for Leave to Exceed Page Limitation by George David Gordon (sdc, Dpty Clk) (Entered: 08/16/2011)
08/15/2011	<u>96</u>	RESPONSE in Opposition to Motion (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant George David</i> <i>Gordon</i> ) by George David Gordon ; (sdc, Dpty Clk) (Entered: 08/16/2011)
08/16/2011	<u>97</u>	ORDER by Chief Judge Claire V Eagan ; finding as moot <u>95</u> Motion for Leave to Exceed Page Limitation (Re: <u>95</u> MOTION for Leave to Exceed Page Limitation, <u>96</u> Response in Opposition to Motion ) (RGG, Chambers) (Entered: 08/16/2011)
08/25/2011	<u>98</u>	MOTION for Extension of Time to Reply to Motion Response <i>in Opposition to Summary Judgment</i> (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant</i>

		<i>George David Gordon</i> ) by Securities and Exchange Commission (Lieberman, Alan) (Entered: 08/25/2011)
08/26/2011	<u>99</u>	MINUTE ORDER by Chief Judge Claire V Eagan ; setting/resetting deadline(s)/hearing(s): ( Replies due by 8/31/2011); granting <u>98</u> Motion for Extension of Time to Reply to Motion Response (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant George David Gordon</i> ) (RGG, Chambers) (Entered: 08/26/2011)
08/31/2011	<u>100</u>	REPLY to Response to Motion (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant George David Gordon</i> ) by Securities and Exchange Commission ; (Lieberman, Alan) (Entered: 08/31/2011)
09/20/2011	<u>101</u>	MINUTE ORDER by Chief Judge Claire V Eagan : <i>It is hereby ordered that the Pretrial set for 1:00 p.m. on 9/26/2011 is stricken and to be reset, if needed, after the ruling on the Motion for Summary Judgment [Dkt. #84],</i> striking/terminating deadline(s)/Hearing(s) (Re: <u>84</u> MOTION for Summary Judgment <i>As to Defendant George David Gordon</i> ) (djh, Dpty Clk) (Entered: 09/20/2011)
09/28/2011	<u>102</u>	OPINION AND ORDER by Chief Judge Claire V Eagan <i>that Gordon's counterclaim (Dkt. # 38) for the production of documents is moot ;</i> granting <u>84</u> Motion for Summary Judgment (Re: <u>2</u> Complaint, <u>38</u> Counterclaim ) (RGG, Chambers) (Entered: 09/28/2011)
09/28/2011	<u>103</u>	JUDGMENT by Chief Judge Claire V Eagan, entering judgment in favor of Plaintiff against George David Gordon (terminates case) (Re: <u>102</u> Opinion and Order,, Ruling on Motion for Summary Judgment, <u>2</u> Complaint, <u>68</u> Judgment,,,, Entering Default Judgment,, Ruling on Motion for Default Judgment, <u>94</u> Judgment,, Entering Default Judgment,, Adding/Terminating Party(ies), Adding/Terminating Party(ies),,, Ruling on Motion for Default Judgment, ) (RGG, Chambers) (Entered: 09/28/2011)

09/28/2011		***Civil Case Terminated (see document number <u>103</u> ) (lml, Dpty Clk) (Entered: 09/29/2011)
10/25/2011	<u>104</u>	MOTION for Permanent Injunction by Securities and Exchange Commission (Lieberman, Alan) (Entered: 10/25/2011)
10/27/2011	<u>105</u>	MOTION to Accelerate/Extend/Reset Hearing (s)/Deadline(s) to File Rule 59 and 60 Motions (s-srt, Dpty Clk) (Entered: 10/27/2011)
10/28/2011	<u>106</u>	ORDER by Chief Judge Claire V Eagan ; denying <u>105</u> Motion to Accelerate/Extend/Reset Hearing(s)/Deadline (s) (RGG, Chambers) (Entered: 10/28/2011)
11/18/2011	<u>107</u>	ORDER by Chief Judge Claire V Eagan <i>re Defendant Gordon</i> ; granting <u>104</u> Motion for Permanent Injunction (Re: <u>102</u> Opinion and Order,, Ruling on Motion for Summary Judgment ) (RGG, Chambers) (Entered: 11/18/2011)
11/18/2011	<u>108</u>	JUDGMENT by Chief Judge Claire V Eagan ( <i>AMENDED</i> ) (Re: <u>103</u> Judgment, Entering Judgment,, <u>107</u> Order,, Ruling on Motion for Permanent Injunction ) (RGG, Chambers) (Entered: 11/18/2011)
11/28/2011	<u>109</u>	NOTICE OF APPEAL to Circuit Court (Re: <u>103</u> Judgment, Entering Judgment,, <u>102</u> Opinion and Order,, Ruling on Motion for Summary Judgment, <u>108</u> Judgment, ) by George David Gordon (s-srt, Dpty Clk) (Entered: 11/28/2011)
11/28/2011	<u>110</u>	MOTION for Leave to Appeal in Forma Pauperis (Re: <u>109</u> Notice of Appeal to Circuit Court ) by George David Gordon (s-srt, Dpty Clk) (Entered: 11/28/2011)
11/28/2011	<u>111</u>	PRELIMINARY RECORD Sent to Circuit Court (Re: <u>109</u> Notice of Appeal to Circuit Court ) (With attachments) (s-srt, Dpty Clk) (Entered: 11/28/2011)
11/29/2011	<u>112</u>	APPEAL NUMBER INFORMATION from Circuit Court assigning Case Number 11-5158 (#109) (Re: <u>109</u>

		Notice of Appeal to Circuit Court ) (s-srt, Dpty Clk) (Entered: 11/29/2011)
11/29/2011	<u>113</u>	ORDER by Chief Judge Claire V Eagan ; granting <u>110</u> Motion for Leave to Appeal in Forma Pauperis (Re: <u>109</u> Notice of Appeal to Circuit Court ) (RGG, Chambers) (Entered: 11/29/2011)
12/05/2011	<u>114</u>	LETTER from Circuit Court regarding jurisdictional review complete. Record on appeal due 1/17/2010 (Re: <u>109</u> Notice of Appeal to Circuit Court ) (sdc, Dpty Clk) (Entered: 12/05/2011)
12/07/2011	<u>115</u>	MOTION to Reconsider (Re: <u>108</u> Judgment, <u>107</u> Order,, Ruling on Motion for Permanent Injunction ) by George David Gordon (sdc, Dpty Clk) (Entered: 12/07/2011)
12/09/2011	<u>116</u>	ORDER by Chief Judge Claire V Eagan denying <u>115</u> Motion to Reconsider (djh, Dpty Clk) Modified on 12/14/2011 to create link to documents #107 & #108 - the referenced order & judgment - ORDER by Chief Judge Claire V Eagan re Defendant Gordon granting <u>104</u> Motion for Permanent Injunction (107) & AMENDED JUDGMENT by Chief Judge Claire V Eagan (108)(djh, Dpty Clk). (Entered: 12/09/2011)
12/28/2011	<u>117</u>	ORDER from Circuit Court <i>appeal filing fee due - directing partial payments</i> (Re: <u>109</u> Notice of Appeal to Circuit Court ) (s-srt, Dpty Clk) (Entered: 12/28/2011)
01/20/2012	<u>118</u>	LETTER from Circuit Court regarding 1st request for record (Re: <u>109</u> Notice of Appeal to Circuit Court ) (sdc, Dpty Clk) (Entered: 01/20/2012)
01/31/2012	<u>119</u>	LETTER from Circuit Court regarding 2nd request for record (Re: <u>109</u> Notice of Appeal to Circuit Court ) (sdc, Dpty Clk) (Entered: 01/31/2012)
02/03/2012	<u>120</u>	RECORD on Appeal Sent to Circuit Court (Record includes: 4 Volumes) (Re: <u>109</u> Notice of Appeal to

		Circuit Court ) (With attachments) (sdc, Dpty Clk) (Entered: 02/03/2012)
04/17/2013	<u>121</u>	DECISION from Circuit Court affirming the Decision of the District Court (awaiting mandate) (Re: <u>109</u> Notice of Appeal to Circuit Court ) (sdc, Dpty Clk) (Entered: 04/17/2013)
06/10/2013	<u>122</u>	MANDATE from Circuit Court (Re: <u>109</u> Notice of Appeal to Circuit Court, <u>121</u> Decision from Circuit Court ) (sdc, Dpty Clk) (Entered: 06/10/2013)

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Phil Lombardi, Clerk  
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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OKLAHOMA**

SECURITIES AND EXCHANGE )  
 COMMISSION, )  
 )  
 Plaintiff, )  
 )  
 )  
 v. )  
 )  
 GEORGE DAVID GORDON, )  
 JOSHUA WAYNE LANKFORD, and )  
 DEAN JOSEPH SHEPTYCKI, )  
 )  
 Defendants. )

09 CV - 061 CVE  TLW

Case No.

**JURY TRIAL DEMANDED**

**COMPLAINT**

Plaintiff Securities and Exchange Commission (the "Commission") alleges:

**SUMMARY**

1. This action is brought against Defendants G. David Gordon, Joshua Lankford, and Dean Sheptycki (collectively referred to as "Defendants") for their roles in a scheme to defraud the public by manipulating the share prices of three penny stocks (National Storm Management Group, Inc. ("NLST"), Deep Rock Oil and Gas, Inc. ("DPRK"), and Global Beverages Solutions, Inc. ("GBVS") collectively referred to as "Target Stocks"). A penny stock is typically considered a stock with a per share market price of less than \$5.00 that is traded on the over-the-counter market, not on a national stock exchange (e.g., the New York Stock Exchange). To execute their scheme to defraud, Defendants, acting in concert with other persons, obtained market domination in the Target Stocks; engaged in coordinated trading activity, including the use of illegal matched orders; and created and distributed to the public deceptive promotional materials, all of which generated the false of

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appearance of investor interest in the Target Stocks thereby artificially inflating the prices of the shares. Defendants, acting in concert with other persons, sold shares of the same three Target Stocks they were recommending that the public buy. This scheme is commonly referred to as a “pump and dump” because the perpetrators artificially inflate or “pump” the price of a stock and then sell their own shares (the “dump”), at the artificially inflated “pumped” price. Defendants’ scheme to defraud was perpetrated from the spring of 2005 through December 2006 and derived illegal trading profits totaling in excess of \$20 million.

2. Defendants and other persons conspiring in the scheme often utilized nominee brokerage and bank accounts in the names of corporate entities, trusts, relatives, and acquaintances to conceal their fraudulent activity.

3. Stock represents an ownership interest in a company’s assets and its future earnings. In general, in an efficient market stock prices are guided by the unfettered forces of supply and demand. Reducing the supply of stock available to be purchased tends to increase the market price, as does generating more demand to purchase the stock by the use of promotional materials predicting large profits and recommending the stock as a “buy”; conversely, increasing the supply of stock available to be purchased tends to decrease the market price, as does driving down demand to purchase the stock. Factors such as the trading volume (*i.e.*, the number of shares traded in a day), financial estimates and reports, and news of events that might impact a company’s business will affect investors’ desire to own a company’s stock. “Pump and dump” schemes, such as the one alleged in this complaint, use various devices to artificially increase the demand for a stock (*e.g.*, engaging in matched trades, distributing promotional materials recommending that investors purchase the stock), as well as restrict the supply of stock available to be traded (*e.g.*, dominating the

market). Taken together, this increase in demand and a restriction of supply results in the artificial increase in the market price for the stock.

4. Not all stock can be publicly traded. It is illegal to publicly offer to sell stock absent registering the transaction with the Commission or meeting the legal requirements for a valid exemption from registration. Stock that cannot be publicly traded bears a restrictive legend that can only be removed by a transfer agent. Prior to removing the restrictive legend, transfer agents normally require a legal opinion letter stating that the restrictive legend can be removed and the factual basis for that opinion. Once the restrictive legend has been removed and the stock is able to be publicly traded, it is known as “unrestricted stock.”

#### **JURISDICTION AND VENUE**

5. This action is filed under Section 22(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77v(a)] and Sections 21(d), 21(e), and 27 of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78u(d), 78u(e), and 78aa]. Venue is proper in this district because certain of the acts complained of took place in this district.

#### **DEFENDANTS**

6. George David Gordon, of Tulsa, Oklahoma, was, at all relevant times, an attorney. Gordon formerly held a certified public accountant license.

7. Joshua W. Lankford, of Dallas, Texas, was the Vice-President of broker-dealer Barron Moore, until his resignation in the fall of 2005. Lankford possessed NASD series 7, 24, and 63 licenses until October 2007 when FINRA (formerly NASD) barred him from associating with any FINRA member for failing to testify and provide documents. After leaving Barron Moore, Lankford operated an entity known as the Lankford Media Group.

8. Dean J. Sheptycki is a Canadian citizen. At all relevant times, Sheptycki was employed by Stockwire, Inc., a web-based penny stock forum.

#### RELEVANT COMPANIES

9. National Storm Management Group, Inc. ("NLST") is a Nevada corporation with its principal place of business in Glen Ellyn, Illinois. From 2005 to the present, its stock has been quoted on the Pink Sheets and, until August 2006, traded under the symbol NLST. Its stock now trades under the symbol NSMG. NLST was formed through a reverse merger with another company, The 18<sup>th</sup> Letter, Inc. NLST purports to be a "storm restoration firm specializing in residential home repair from the effects of wind and hail damage."

10. Deep Rock Oil and Gas, Inc. ("DPRK") is a Nevada corporation with its principal place of business in Tulsa, Oklahoma. From 2005 to the present, its stock has been quoted on the Pink Sheets and traded under the symbol DPRK. DPRK was formed through a reverse merger with another company, Cherokee Energy Services of Tulsa, Inc. DPRK purports to be "an oil and gas exploration and production company."

11. Global Beverage Solutions, Inc. ("GBVS") is a Nevada corporation with its principal place of business in Tulsa, Oklahoma. Prior to a name change in October 2005, GBVS was known as Pacific Peak Investments ("PPKI"). On June 19, 2003, the company now known as GBVS elected business development company status under the Investment Company Act of 1940. During the relevant period of time, the company's securities were registered with the Commission under Section 12(g) of the Exchange Act. Its shares trade on the over-the-counter bulletin board under the symbol GBVS. GBVS voluntarily withdrew from its business development company status on January 2, 2008.

## FACTUAL ALLEGATIONS

### A. The Scheme to Manipulate the Markets for the Stock of NLST, DPRK, and GBVS

12. Defendants, acting in concert with other persons, knowingly engaged in deceptive and fraudulent acts, practices, and courses of business intended to manipulate the markets for the stock of NLST, DPRK, and GBVS.

13. Gordon and Lankford, acting in concert with other persons, merged operating companies into shell companies (*i.e.*, a company with few or no assets or operations) that they controlled, creating NLST and DPRK.

14. Gordon and Lankford, acting in concert with other persons, utilized fraudulent legal opinion letters to cause the removal of the restrictive legends from millions of shares of NLST and DPRK stock. The legal opinion letters misrepresented the identity of the owners of the shares of stock and the length of time they had owned the stock, requirements for removal of the restrictive legend.

15. Gordon and Lankford, acting in concert with other persons, controlled virtually all of the unrestricted stock of GBVS.

16. To generate a trading volume history and raise the share price for the DPRK manipulation, Gordon and Lankford, acting in concert with other persons, engaged in matched orders. A matched order is a coordinated transaction, in which an order for the purchase/sale of stock is entered with the knowledge that a contra order (sale/purchase) for substantially the same quantity of shares of the same stock, at substantially the same time and price, has been or will be entered by another person, with the intent that the orders will execute against each other. There is no market risk to the parties engaging in matched orders and the trades are not done for a

legitimate economic purpose. Matched orders artificially raised the market price of DPRK's stock.

17. Gordon and Lankford, acting in concert with other persons, hired Sheptycki to manage the promotion of the Target Stocks through the mass distribution of faxes touting the Target Stocks to the public. The faxes projected huge price increases for the Target Stocks and recommended that the recipients of the faxes purchase the stock. As compensation, Sheptycki was promised approximately 10% of the scheme's net trading proceeds.

18. Prior to distributing the NLST and DPRK faxes, Sheptycki purchased NSLT and DPRK stock. Sheptycki sold this NLST and DPRK stock into the manipulated market generated in part by the faxes he caused to be distributed to the unwary public.

19. Gordon and Lankford, acting in concert with other persons, orchestrated the promotion of the Target Stocks through the mass distribution of spam emails touting the Target Stocks to the public. The spam emails projected huge price increases for the Target Stocks and recommended that the recipients of the spam emails purchase the stock.

20. Gordon and Lankford, acting in concert with other persons, orchestrated the promotion of DPRK and GBVS's stock through the mass distribution of Magalogs (*i.e.*, a glossy, magazine-like promotional mailing) touting DPRK and GBVS's stock to the public. The Magalogs projected huge price increases for DPRK and GBVS and recommended that the recipients of the Magalogs purchase the stock.

21. The promotional materials touting NLST and DPRK exploited the devastating effects of Hurricanes Katrina and Rita.

22. The promotional faxes, spam emails, and Magalogs generated buying interest for the Target Stocks, resulting in an increase in trading volume and market price for the stocks.

Throughout these promotional campaigns, Defendants, acting in concert with other persons, were selling NLST, DPRK, and GBVS stock, even though the promotional materials that they caused to be distributed to an unwary public were recommending the purchase of the Target Stocks.

23. Defendants, acting in concert with other persons, controlled the vast majority of NLST, DPRK, and GBVS stock, allowing them to dominate the market. To ensure that the market price remained artificially elevated, Gordon and Lankford coordinated their trading so as to not dump too much stock into the market during the promotions and provided buy-side support when there were too many other retail investors selling stock.

24. Defendants' promotional efforts and coordinated trading manipulated the prices of the Target Stocks to an artificially high level. Following the conclusion of the promotional campaigns, the market prices for the Target Stocks dropped.

25. Defendants, acting in concert with other persons, sold NLST stock from August 2005 through October 2005.

26. Defendants, acting in concert with other persons, sold DPRK stock from August 2005 through March 2006.

27. Defendants, acting in concert with other persons, sold GBVS stock from December 2005 through December 2006.

28. Through the sale of NLST, DPRK, and GBVS stock, Defendants' scheme derived illegal trading profits totaling in excess of \$20 million.

**FIRST CLAIM FOR RELIEF**  
**Securities Fraud**  
**Violations of Exchange Act Section 10(b) and Rule 10b-5**

29. Paragraphs 1 through 28 are realleged and incorporated by reference.

30. As described above, Gordon and Lankford acting knowingly or recklessly, directly or indirectly, in connection with the purchase or sale of a security, by use of means or instrumentalities of interstate commerce, of the mails, or the facilities of a national securities exchange:

- a. employed devices, schemes, or artifices to defraud;
- b. made untrue statements of material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- c. engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

31. By engaging in the foregoing conduct Gordon and Lankford violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

**SECOND CLAIM FOR RELIEF**  
**Securities Fraud**  
**Violations of Securities Act Section 17(a)**

32. Paragraphs 1 through 28 are realleged and incorporated by reference.

33. As described above, Gordon and Lankford acting knowingly, recklessly, or negligently in the offer or sale of securities, by use of means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- a. employed devices, schemes, or artifices to defraud;

- b. obtained money or property by means of untrue statements of a material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- c. engaged in transactions, practices, or courses of business that operated or would operate as a fraud or deceit upon the purchaser.

34. By engaging in the foregoing conduct Gordon and Lankford violated Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)].

**THIRD CLAIM FOR RELIEF  
Aiding and Abetting Violations of  
Exchange Act Section 10(b) and Rule 10b-5 and Securities Act Section 17(a)**

35. Paragraphs 1 through 28 are realleged and incorporated by reference.
36. As described above, Sheptycki knowingly provided substantial assistance to Gordon and Lankford's violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder, and Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], and thereby aided and abetted these violations of the federal securities laws.

**FOURTH CLAIM FOR RELIEF  
Offer or Sale of Unregistered Securities  
Violations of Securities Act Sections 5(a) and 5(c)**

37. Paragraphs 1 through 28 are realleged and incorporated by reference.
38. As described above, notwithstanding that there was no applicable exemption from the registration requirements of the federal securities laws, Gordon and Lankford:
- a. made use of means or instruments of transportation or communication in interstate commerce or of the mails to sell, though the use or medium of a prospectus or otherwise, securities as to which no registration statement was in effect;

b. for the purpose of sale or delivery after sale, carried and/or caused to be carried through the mails or in interstate commerce, by means or instruments of transportation, securities as to which no registration statement was in effect; or

c. made use of means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell, through the use or medium of a prospectus or otherwise, securities as to which no registration statement had been filed.

39. No valid registration statement was filed or in effect with the Commission pursuant to the Securities Act and no exemption from registration existed with respect to the securities and transactions described in this complaint.

40. By engaging in the foregoing conduct Gordon and Lankford violated Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)].

#### **RELIEF REQUESTED**

WHEREFORE, the Commission respectfully requests that this Court issue an order:

A. permanently enjoining Gordon, Lankford, and Sheptycki, pursuant to Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)] and Section 21(d)(1) of the Exchange Act [15 U.S.C. § 78u(d)(1)], from violating, directly or indirectly, Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder;

B. permanently enjoining Gordon and Lankford, pursuant to Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], from violating, directly or indirectly, Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)];

C. permanently barring Gordon, Lankford, and Sheptycki from participating in an offering of penny stock, as defined by Rule 3a51-1 under the Exchange Act [17 C.F.R. § 240.3a51-1], pursuant to Section 21(d)(6) of the Exchange Act [15 U.S.C. § 78u(d)(6)];

D. ordering each Defendant to account for and disgorge their ill-gotten gains from the violative conduct alleged in this complaint, and to pay prejudgment interest thereon;

E. ordering each Defendants to pay the maximum civil monetary penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)];

F. granting such other relief as the Court deems just or appropriate; and

G. retaining jurisdiction of this action in order to implement and carry out the terms of this order.

Dated: February 4, 2009

Washington, D. C.

Respectfully submitted,



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John C. Lehmann Jr.

UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF OKLAHOMA

SECURITIES AND EXCHANGE )  
COMMISSION, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
GEORGE DAVID GORDON, )  
JOSHUA WAYNE LANKFORD, and )  
DEAN JOSEPH SHEPTYCKI, )  
 )  
Defendants. )

Case No. 09-CV-0061-CVE-FHM

DEFAULT JUDGMENT AS TO DEFENDANT  
JOSHUA WAYNE LANKFORD

This matter comes on for consideration of plaintiff’s Second Motion for Entry of Default Judgment against Defendant Joshua Wayne Lankford (Dkt. # 88). On February 10, 2009, plaintiff Securities and Exchange Commission (the Commission) filed this case alleging, inter alia, that defendant Joshua Wayne Lankford and others violated sections 5(a), 5(c), and 17(a) of the Securities Act of 1933, 15 U.S.C. §§ 77e(a), 77e(c), and 77q(a) (the Act), and section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. §§ 78j(b) (Exchange Act). Plaintiff alleges that Lankford and others engaged in a “pump and dump” scheme to inflate the price of target stocks and sells their shares at an inflated price. Plaintiff seeks injunctive relief, disgorgement, pre-judgment interest, and statutory civil penalties against defendant.

On February 11, 2009, Commission staff sent via Federal Express a copy of the complaint and a Notice of Lawsuit and Request For Waiver of Service of Summons (Request for Waiver) to Joshua Lankford at 511 Royal Lane, Dallas, Texas. Dkt. # 47, at 2. Federal Express notified the Commission staff via telephone that it was unable to deliver the package containing the complaint

and the Request for Waiver to Lankford at the address listed on the shipping label, and returned the package. Dkt. # 46-3, at 6. The same day the Commission filed its complaint, the United States Department of Justice and the United States Attorney's Office for the Northern District of Oklahoma announced the indictment of five individuals, including Lankford. In its press release dated February 10, 2009, the Department of Justice noted that four of the five individuals had been arrested, and that the "indictment also charges Dallas-area resident Joshua Wayne Lankford, 35. Lankford's current location is unknown, and law enforcement officials are seeking him as a fugitive." Id. at 8. On November 15, 2010, Commission staff sent via registered mail and certified mail an additional copy of the Request for Waiver to Lankford at the same address. The registered mail and certified mail envelopes containing the Request for Waiver were returned to Commission staff by the United States Postal Service marked with "Return to Sender" notices indicating attempted delivery and inability to forward. Id. at 17-31; Dkt. # 46-4, at 1-15; Dkt. # 49-5.

On April 29, 2011, the Commission filed a motion seeking to serve Lankford by publication pursuant to OKLA. STAT. tit. 12, § 2004(C)(3)(c). Dkt. # 74. On May 2, 2011, the Court granted the Commission's motion. Dkt. # 75. On May 10, May 17 and May 24, 2011, the Commission published a notice of service by publication in accordance with the requirements of § 2004(C)(3)(c) in the Tulsa Daily Commerce & Legal News, a daily newspaper of general circulation in Tulsa, Oklahoma. See Dkt. # 85. Lankford did not file a responsive pleading or otherwise enter an appearance in this case. On June 23, 2011, plaintiff filed a motion for entry of default by the Court Clerk (Dkt. # 87) as to Lankford, and the Court Clerk entered Lankford's default (Dkt. # 93) on July 26, 2011. Pursuant to Fed. R. Civ. P. 55(a), default judgment is appropriate when "a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend as provided

by these rules and that fact is made to appear by affidavit or otherwise.” The Court finds that Lankford has failed to file a responsive pleading or otherwise defend against plaintiff’s claims, and default judgment should be entered in favor of plaintiff and against Lankford. On March 11, 2011, the Court held an evidentiary hearing concerning the amount of the default judgment as to disgorgement and civil penalty as to defendant Dean Joseph Sheptycki, and the Court finds that Lankford participated in the same scheme and is subject to the same penalties as Sheptycki. See Dkt. # 68.

**IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** that plaintiff’s Second Motion for Entry of Default Judgment against Defendant Joshua Wayne Lankford (Dkt. # 88) is **granted**.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Joshua Wayne Lankford and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this default judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, section 10(b) of the Exchange Act (15 U.S.C. § 78j(b)) and Rule 10b-5 promulgated thereunder (17 C.F.R. § 240.10b-5), by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Joshua Wayne Lankford and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this default judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, section 17(a) of the Securities Act (15 U.S.C. § 77q(a)) in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Joshua Wayne Lankford and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this default judgment by personal service or otherwise are permanently restrained and enjoined from violating section 5 of the Securities Act (15 U.S.C. § 77e) by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act (15 U.S.C. § 77h).

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that defendant Joshua Wayne Lankford is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act (17 C.F.R. 240.3a51-1).

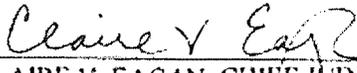
**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that judgment is entered in favor of plaintiff Securities and Exchange Commission and against defendant Joshua Wayne Lankford for disgorgement in the amount of \$40,072,806.97, representing profits as a result of the conduct alleged in the complaint, minus amounts recovered from co-defendants in criminal forfeiture orders in the parallel criminal case, together with pre-judgment interest thereon in the amount of \$10,307,489.92, for a total of \$50,380,296.89. Post-judgment interest shall accrue at a rate of .17 percent per annum. The Court orders that Lankford's liability for disgorgement will be joint and several with other defendants found liable in this case for the conduct alleged.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that defendant Joshua Wayne Lankford shall pay a civil penalty in the amount of \$43,927,809.95 pursuant to section 20(d) of the Securities Act (15 U.S.C. § 77t(d)) and pursuant to section 21(d)(3) of the Exchange Act (15 U.S.C. § 78u(d)(3)). Defendant shall make this payment within 14 days after entry of this default judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Lankford as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this default judgment. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury. Post-judgment interest shall accrue at a rate of .17 percent per annum.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this default judgment.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that there being no just reason for delay, pursuant to Fed. R. Civ. Proc. 54(b), this default judgment should be entered before entry of final judgment as to all parties and claims. In particular, there are claims pending against defendant George David Gordon. Gordon has entered an appearance in this case and “denies all relief and entitlement to relief sought or claimed by plaintiff.” Dkt. # 37, at 4. However, this case has been pending for two years. The Court finds no just reason to delay entry of default judgment against Lankford, because he is a fugitive in a related criminal case and is unlikely to voluntarily enter an appearance in this case. Gordon will not be prejudiced by the entry of default judgment against Lankford. Thus, there is no just reason for delaying entry of default judgment against Lankford, and this default judgment constitutes a final judgment of plaintiff’s claims against Lankford.

**DATED** this 27th day of July, 2011.

  
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CLAIRE V. EAGAN, CHIEF JUDGE  
UNITED STATES DISTRICT COURT

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UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF OKLAHOMA

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	CASE NO. 09-CV-0061-CVE-FHM
	)	
GEORGE DAVID GORDON,	)	
JOSHUA WAYNE LANKFORD, and	)	
DEAN JOSEPH SHEPTYCKI,	)	
	)	
Defendants.	)	

TRANSCRIPT OF PROCEEDINGS  
MARCH 11, 2011  
BEFORE THE HONORABLE CLAIRE V. EAGAN, CHIEF JUDGE PRESIDING  
**EVIDENTIARY HEARING**

A P P E A R A N C E S

FOR THE PLAINTIFF:	MR. ALAN MARC LIEBERMAN
	MR. MATTHEW L. SKIDMORE
	SEC (Washington)
	100 F Street NE
	Washington, DC 20549-4030
	MS. CATHERINE J. DEPEW
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	Tulsa, OK 74119-1013

Transcript prepared by Greg Bloxom, RMR, CRR

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1 PROCEEDINGS:

2 -----

3 THE DEPUTY COURT CLERK: In the case of Securities and  
4 Exchange Commission vs. George David Gordon, et al., case  
5 number 9-CV-61-CVE-FHM

6 Would the parties please identify themselves for the  
7 record.

8 MS. DEPEW: Good morning, Your Honor.

9 THE COURT: Good morning.

10 MS. DEPEW: Catherine Depew for the United States.  
11 May I introduce Mr. Alan Lieberman.

12 MR. LIEBERMAN: Good morning, Your Honor.

13 THE COURT: Good morning. Welcome.

14 MS. DEPEW: He is the assistant chief litigation  
15 counsel, division of enforcement, for the SEC.

16 THE COURT: Thank you.

17 MS. DEPEW: With him today assisting him is  
18 Mr. Matthew Skidmore. He just entered his appearance today.

19 THE COURT: Good. I have it.

20 MS. DEPEW: All right.

21 MR. SKIDMORE: Good morning.

22 THE COURT: Good morning.

23 MS. DEPEW: Jarom -- At the table with us is Agent  
24 Jarom Gregory with the IRS CID.

25 THE COURT: Thank you.

1           So we are here today on the second motion and memorandum in  
2 support of the entry of default judgment against Mr. Sheptycki,  
3 docket number 66.

4           As I mentioned in prior orders, I'm ready to enter default  
5 but I thought, in an abundance of caution, we needed a better  
6 record on the amount of damages and the civil penalty. I also  
7 mentioned that we don't necessarily receive the funds and  
8 distribute the funds, so we won't include that in our order.

9           I thank you for being here, Ms. Depew, because you can  
10 explain our strange procedures, I guess, if we don't do  
11 something that everybody else does.

12           I have reviewed the request for injunctive relief and find  
13 that they are appropriate. And let me first confirm, with  
14 regard to the pre-judgment interest, I need to put in there the  
15 dates. Based upon the exhibit attached, it appears that the  
16 pre-judgment interest calculation is from January 1, 2007,  
17 through December 31, 2010. Is that correct?

18           MR. LIEBERMAN: That's correct, Your Honor.

19           THE COURT: And are you seeking anything from December  
20 31 to the present?

21           MR. LIEBERMAN: No, Your Honor.

22           THE COURT: Okay. That's pocket change.

23           The reason I wanted to have a better record on the default  
24 judgment, right now I don't think I can make it joint and  
25 several because I don't have anybody else that has a judgment

1 in this case, so I added a provision in here that if the Court  
2 enters judgment against any other defendant in this case at a  
3 later date, the Court may order that Sheptycki's liability for  
4 disgorgement be joint and several with such defendant(s).

5 Wouldn't that be appropriate?

6 MR. LIEBERMAN: Certainly, Your Honor.

7 THE COURT: Because right now I can't say it's joint  
8 and several because I don't have a judgment against anybody  
9 else.

10 MR. LIEBERMAN: I understand, Your Honor. We were  
11 going to address that but that would be --

12 THE COURT: I will make it joint and several at the  
13 appropriate time but right now --

14 MR. LIEBERMAN: What I think would be helpful, since  
15 we have Mr. Lindberg here, is to have him give a big overview,  
16 very briefly, of the fraud and then what Mr. Sheptycki's role  
17 was in it and the proceeds that he received relative to the  
18 other principal participants. That way, the law of joint and  
19 several, which looks to those factors, we'll at least have a  
20 basis in the record before Your Honor.

21 THE COURT: I guess I can change this to -- I can make  
22 it even more certain for you. I can say, "The Court orders  
23 that Sheptycki's liability for disgorgement will be joint and  
24 several with any other defendant who is found liable in this  
25 matter." Wouldn't that work?

1 MR. LIEBERMAN: Yes, Your Honor, with one  
2 exception, --

3 THE COURT: Okay.

4 MR. LIEBERMAN: -- if I may, if the Court will indulge  
5 me.

6 THE COURT: Sure.

7 MR. LIEBERMAN: In the criminal case, Judge Payne  
8 issued a forfeiture order based on a finding of the  
9 proceeds from --

10 THE COURT: Right.

11 MR. LIEBERMAN: -- this very fraud.

12 THE COURT: I don't doubt that.

13 MR. LIEBERMAN: Yes.

14 THE COURT: It's just that we don't have overlapping  
15 defendants. Over there, as I understand it, the only ones that  
16 went to trial were Gordon and Clark?

17 MR. LIEBERMAN: Gordon and Clark.

18 THE COURT: Here, I have a lawsuit against Gordon,  
19 Lankford and Sheptycki. You can see why I wasn't just willing  
20 to just jump through that hoop --

21 MR. LIEBERMAN: Yes.

22 THE COURT: -- and say, "Let's go for that criminal  
23 forfeiture order."

24 MR. LIEBERMAN: Understood.

25 THE COURT: There's a clear record that that's the

1 criminal forfeiture order. No one questions that. I need a  
2 record that I should make the finding that that carries over  
3 into this case because I don't have, you know, complete circles  
4 of the same set --

5 MR. LIEBERMAN: Right.

6 THE COURT: -- of defendants.

7 MR. LIEBERMAN: Right.

8 THE COURT: So I have like, you know, intersecting  
9 circles.

10 MR. LIEBERMAN: Right.

11 THE COURT: So maybe Mr. Lindberg can go ahead and say  
12 -- well, he can't answer this question. You only went to trial  
13 against two because Mr. Lindberg is in a separate case in front  
14 of me and we haven't sentenced him yet, and there were  
15 fugitives in the other case, including Mr. --

16 MR. LIEBERMAN: Sheptycki and Lankford.

17 THE COURT: -- Sheptycki. But Mr. Clark's not in this  
18 civil proceeding.

19 MR. LIEBERMAN: Correct, Your Honor.

20 THE COURT: And I don't know why, because I wasn't in  
21 that case and I don't spend my time monitoring other judges'  
22 cases. So why isn't Mr. Clark in this case?

23 MR. LIEBERMAN: Your Honor, the charging decision that  
24 was made at the SEC was not to include Mr. Clark in this  
25 particular case.

1 THE COURT: See where my trouble lies?

2 MR. LIEBERMAN: I do. I do, Your Honor.

3 THE COURT: So I will say, "The Court orders that  
4 Sheptycki's liability for disgorgement will be joint and  
5 several with any other defendant found liable for the  
6 conduct -- liable in this case for the conduct alleged."

7 MR. LIEBERMAN: It's our intention within the next, I  
8 hope, four weeks to file a motion for summary judgment against  
9 Mr. Gordon based on the criminal conviction on a notion of  
10 collateral estoppel, which we'll fully brief --

11 THE COURT: Uh-huh, right.

12 MR. LIEBERMAN: -- and provide Your Honor, which may  
13 provide the peg or the missing element that Your Honor is  
14 looking for in this case. So we are going to do that within  
15 the next month or so.

16 THE COURT: All right. So I would like you to address  
17 two things. I guess Mr. Lindberg can testify to the 43  
18 million -- well, the role -- I mean, it's not disputed that  
19 Judge Payne found the 43 million.

20 MR. LIEBERMAN: Correct.

21 THE COURT: I just need to --

22 MR. LIEBERMAN: Sure.

23 THE COURT: -- have it brought over into this case.

24 And then with regard to the civil penalty, do you want the

25 \$100,000, do you want the double 43? You're not going to

1 collect any of this anyway, so...

2 MR. LIEBERMAN: That's correct, Your Honor, but, you  
3 know, we've got certain t's to cross and i's to dot.

4 THE COURT: I know.

5 MR. LIEBERMAN: I do understand the futility of that.

6 THE COURT: But I just wanted you to have a record --

7 MR. LIEBERMAN: Sure.

8 THE COURT: -- that will hold up --

9 MR. LIEBERMAN: Yes.

10 THE COURT: -- if, in fact, Mr. Sheptycki ever is --

11 MR. LIEBERMAN: Okay. Okay.

12 THE COURT: -- brought into the United States and  
13 tries to collaterally attack this default judgment. All right.  
14 So --

15 MR. LIEBERMAN: Here's what I had hoped to do, and if  
16 Your Honor wants to do it differently, just please let me know.

17 THE COURT: Let's do it the short way.

18 MR. LIEBERMAN: I fully intended to do it the short  
19 way. Mr. Lindberg, as I said, will testify to the overall  
20 scheme and the roles of each of the players and the relative  
21 money, the net money for each of the players.

22 THE COURT: Good.

23 MR. LIEBERMAN: Agent Gregory will testify to the  
24 summary charts that Your Honor has as exhibits that have been  
25 premarked and how he tied the underlying data to make those

1 charts. It's kind of a 1006 type approach, --

2 THE COURT: Good.

3 MR. LIEBERMAN: -- rule of evidence.

4 THE COURT: Good.

5 MR. LIEBERMAN: And then I'd like to at least state  
6 the general principal of joint and several that we're relying  
7 on and give the cites to one or two cases so that if Your Honor  
8 asks for a post-trial brief on joint and several, at least  
9 you'll know what we're going to be relying on.

10 THE COURT: No; I'm going to make this joint and  
11 several --

12 MR. LIEBERMAN: Okay. Okay.

13 THE COURT: -- with any other defendant found liable.  
14 My point was as of right now that's metaphysically impossible.

15 MR. LIEBERMAN: Okay. All right. Well, let's, if we  
16 may, Your Honor, start with Mr. Lindberg.

17 THE COURT: All right. Would you please come forward  
18 and be sworn.

19 (WITNESS SWORN)

20 THE COURT: And for the record, I do have a notebook  
21 of the evidentiary hearing exhibits and we're going to have to  
22 figure out a way to make these part of the record so later, if  
23 there's ever a collateral attack, you'll have the transcript  
24 and the exhibits.

25 MR. LIEBERMAN: Thank you, Your Honor.

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**MARK LINDBERG,**

being first duly sworn to testify the truth, the whole truth,  
and nothing but the truth, testified as follows:

**DIRECT EXAMINATION**

BY MR. LIEBERMAN:

Q. Good morning, Mr. Lindberg.

A. Good morning.

Q. Mr. Lindberg, you heard Her Honor's request for the --

THE COURT: Well, why don't you first state your name  
and spell your last name.

THE WITNESS: My name is Mark Lindberg.

L-I-N-D-B-E-R-G.

Q. (BY MR. LIEBERMAN) You heard Her Honor's instruction for  
the short version, and we'll do that unless Her Honor has  
questions and she'll dig down if she finds it necessary.

A. Yes.

Q. First of all, just remind the Court. You were a defendant  
in the criminal case before Her Honor; is that correct?

A. That's correct. I pled guilty to conspiracy to commit  
securities fraud and wire fraud in the Northern District of  
Oklahoma in July of 2008.

Q. And without any of the details, since that time you have  
been cooperating with the government, particularly Ms. Depew,  
her office, and the Department of Justice in other cases?

A. That's correct, in this case and other criminal trials and

1 civil trials.

2 Q. And you've been doing that actively since you pleaded  
3 guilty?

4 A. That's correct.

5 Q. Okay. Now, just for the overview, are you familiar with  
6 the name "Shell Creation Group"?

7 A. Yes.

8 Q. And what is the Shell Creation Group?

9 A. The Shell Creation Group is a group of attorneys and stock  
10 promoters and other consultants that organized and built and  
11 sold shells and also promoted public companies.

12 Q. All right. And was that the group that perpetrated the  
13 fraud that led to the criminal case?

14 A. That's correct.

15 Q. Okay. Now, we're going to be focusing on just three stocks  
16 here: National Storm, NLST; Deep Rock, DPRK; and Global  
17 Beverage, GBVS. Are you familiar with those three issues?

18 A. Yes, I am.

19 Q. And were they part of the pump and dump that the Shell  
20 Creation Group was involved in?

21 A. Yes.

22 Q. Okay. Give me the names of the principal players in the  
23 Shell Creation Group that pumped and dumped those three stocks.

24 A. The main players were myself, David Gordon, Rick Clark, Jim  
25 Reskin, Josh Lankford, Mark D'Onofrio, Dean Sheptycki, and Jim

1 Reskin if I haven't mentioned him earlier.

2 Q. Okay. Now, we're here to find out about Mr. Sheptycki's  
3 role, so let's put the others aside unless Her Honor wants to  
4 hear about them.

5 With respect to Mr. Sheptycki, what was his role in the  
6 fraud?

7 A. Mr. Sheptycki's role was that as the fax blaster, which in  
8 the pump and dump, in the manner in which it was done, was the  
9 most vital portion of the whole pump and dump. The faxes were  
10 sent out first on these public companies.

11 Q. Okay. Do you have any reason to believe that Mr. Sheptycki  
12 was involved in pump and dumps other than with the Shell  
13 Creation Group?

14 A. Well, prior to the instant case with these three public  
15 companies, he had purchased shells that were organized in the  
16 same manner that these were organized for the intent of pumping  
17 and dumping in the future. He had purchased a couple of shells  
18 from us.

19 Q. Okay. So it's fair to say that he was not just an  
20 administrative functionary that put out faxes?

21 A. Well, he understood the value of having a controlled public  
22 shell created the way that they were created because it allows  
23 for additional manipulation of the stock or an easier way to do  
24 it.

25 Q. Okay. Now, what was Mr. Sheptycki's remuneration for his

1 participation with the Shell Creation Group?

2 A. Traditionally he would charge people that would come to him  
3 for fax blasting services four cents a fax as his fee. In our  
4 case, since he knew the shell was 100 percent shell, a  
5 controlled shell, he charged us two-and-a-half cents per fax  
6 and then he took 10 percent of our trading profits.

7 Q. And why would he charge less for a controlled shell?

8 A. Well, he'd make more money off the profit. Being a  
9 controlled shell, the potential to make money was that much  
10 more because you controlled the float.

11 Q. Did Mr. Sheptycki, to your knowledge, have an incentive to  
12 see that the fraud generated as much proceeds as possible?

13 A. Well, the incentive was in we would pay him 10 percent of  
14 our trading profits.

15 Q. He negotiated that for himself?

16 A. Yes.

17 Q. Okay. Now, do you have any -- Did you meet with  
18 Mr. Sheptycki during the fraud?

19 A. Yeah, quite a few times. He'd come to Dallas, and we met  
20 in Fort Lauderdale once or twice, and in the Bahamas a couple  
21 of times.

22 Q. And what did you do generally at those face-to-face  
23 meetings with him?

24 A. We'd either talk about shells or promoting stocks.

25 Q. Okay. Now, with respect to the faxes, do you know who was

1 responsible for the content of the faxes?

2 A. Dean Sheptycki handled the creative side of the faxes. He  
3 did say he had a writer that helped him write it but he was in  
4 -- you know, that was his -- he would create the text, if you  
5 will. That was his portion.

6 Q. Now, I'd like to hand up to you exhibit 5, which the agent,  
7 Agent Gregory, will testify to in more detail.

8 MR. LIEBERMAN: May I approach, Your Honor?

9 THE COURT: Yes.

10 MR. LIEBERMAN: And it's in the book, Your Honor.

11 Q. (BY MR. LIEBERMAN) Now, I can tell you exhibit 5 was  
12 prepared by Agent Gregory for purposes of this hearing today.  
13 It shows --

14 MR. LIEBERMAN: And we'll explain the entries on that,  
15 Your Honor, through Agent Gregory.

16 Q. (BY MR. LIEBERMAN) -- but it shows a total proceeds  
17 received by Sheptycki of approximately \$2.7 million. The  
18 question to you is: Relative to the principals that you named,  
19 where does Mr. Sheptycki's proceeds fit?

20 A. This would be right in line with what Rick Clark made and  
21 Rick Singer and Jim Reskin.

22 Q. Okay. And can you approximate for us the difference  
23 between the 2.7 million and the money that, say, Mr. Gordon  
24 made or you made?

25 A. Well, I just had more accounts than Dean Sheptycki, so my

1 forfeiture judgment is 6.2 million.

2 THE COURT: Let me ask you. You mentioned Rick  
3 Singer?

4 THE WITNESS: Rick Singer.

5 THE COURT: Who's that?

6 THE WITNESS: He's also an individual that pled guilty  
7 in the Northern District of Oklahoma prior to Gordon's trial.

8 THE COURT: Okay. Because earlier when you mentioned  
9 the participants, you didn't mention him. You mentioned Reskin  
10 twice. So Singer was also a participant?

11 THE WITNESS: That's correct.

12 THE COURT: Okay.

13 Q. (BY MR. LIEBERMAN) I'm sorry. I did miss it. Relative to  
14 Gordon and you, what were you, about another three million more  
15 than --

16 A. Yes.

17 Q. Okay. All right. Now, before we get off of the roles,  
18 Catherine reminds me that there's a relevant participant here  
19 that we ought to talk to you about: Mr. Lankford, who --

20 A. Yes.

21 Q. -- is a fugitive. What was Mr. Lankford's role and  
22 participation in the Shell Creation Group?

23 A. He owned a broker dealer that was the main broker dealer  
24 that traded most of the stock.

25 Q. And what's the name of that broker dealer?

1 A. Barron Moore.

2 Q. Okay. And was he one of the top principals of the Shell  
3 Creation Group fraud?

4 A. Yes.

5 Q. Okay. And did you personally interact with Mr. Lankford in  
6 the fraud?

7 A. Yes.

8 Q. Okay. Now, let's --

9 MR. LIEBERMAN: Your Honor, I think Your Honor is well  
10 familiar with the operation of a pump and dump --

11 THE COURT: Right.

12 MR. LIEBERMAN: -- and don't need any detail there.

13 THE COURT: You don't need to go into that. I just  
14 want the amount.

15 MR. LIEBERMAN: Okay. All right.

16 Q. (BY MR. LIEBERMAN) So I would like to show you just one  
17 other exhibit which I believe is 14. I'll hand it up.

18 MR. LIEBERMAN: If I may approach, Your Honor?

19 THE COURT: Yes.

20 Q. (BY MR. LIEBERMAN) And, again, can you identify exhibit  
21 14?

22 A. It is a copy of a bank statement for Shocker 100 Index at  
23 Bank One.

24 Q. And what is Shocker 100 Index?

25 A. It's a limited partnership that I was the general partner

1 of that traded in all three stocks.

2 Q. Okay. Now, if you look -- I don't know --

3 MR. LIEBERMAN: Is this the first page of it?

4 Q. (BY MR. LIEBERMAN) Now, there are references in the  
5 exhibit -- it's a multi-page exhibit -- to a Coyote and a  
6 Gibraltar.

7 A. That's correct.

8 Q. All right. What are they, and are they associated with any  
9 of the people you identified?

10 A. Coyote Investments is, for lack of a better term, a  
11 personal corporation of Dean Sheptycki's. It's a corporation  
12 that he used to receive funds. Gibraltar Global Securities is  
13 a Bahamian -- as I understand it, a Bahamian entity that Dean  
14 Sheptycki used to trade stock, receive stock, sell stock, and  
15 receive the funds.

16 Q. All right. Why are wire funds going from your account to  
17 these two entities?

18 A. The wires to Coyote Investment were for the payment of  
19 faxes and then for the payment of Dean's profit participation.

20 Q. Okay.

21 MR. LIEBERMAN: Your Honor, move 14.

22 THE COURT: Well, why don't we do this all at once.

23 MR. LIEBERMAN: Okay.

24 THE COURT: You have exhibits 1 through 21 and I doubt  
25 we're going to have any objection to those, so --

1 MR. LIEBERMAN: Okay. Okay.

2 THE COURT: -- we'll admit into the record for the  
3 purposes of the evidentiary hearing plaintiff's exhibits 1  
4 through 21, and we're going to figure out how we're going to  
5 get them into the record of this case. Maybe they can be  
6 scanned and attached to the minutes of these proceedings --

7 MR. LIEBERMAN: Okay.

8 THE COURT: -- so that you have a record, both the  
9 transcript and the minutes, of everything that occurred.

10 MR. LIEBERMAN: Thank you, Your Honor. Your Honor, I  
11 have no further questions for Mr. Lindberg.

12 Your Honor, Ms. Depew reminds me that Your Honor might want  
13 a more in-depth understanding of Lankford's role in the fraud.

14 THE COURT: It might be helpful for what we're going  
15 to be dealing with --

16 MR. LIEBERMAN: Okay.

17 THE COURT: -- here in the future.

18 MR. LIEBERMAN: Okay.

19 Q. (BY MR. LIEBERMAN) You said, Mr. Lindberg, that  
20 Mr. Lankford was top level and that he owned Barron Moore, but  
21 what was his function in the fraud? Was he one of the original  
22 participants? Just put some flesh on the bones of that for us.  
23 A. Well, the functionality of Barron Moore and a broker dealer  
24 was incredibly vital. It would request the symbols to get the  
25 stock listed and traded on the market, it would receive stock

1 certificates, trade stock, sell stock, wire funds out from the  
2 proceeds of stock, and, you know, without it, it would be real  
3 hard to do a pump and dump without a broker dealer.

4 Q. Okay. And do you have any basis to believe from your  
5 personal contact with Mr. Lankford as to whether he realized  
6 that he was involved in a pump-and-dump fraud?

7 A. Well, I mean he's a fugitive from law.

8 Q. Well, but --

9 A. I mean --

10 Q. -- putting that aside, --

11 THE COURT: At the time.

12 Q. (BY MR. LIEBERMAN) At the time.

13 A. Yeah, I mean, there were multiple conversations about the  
14 legality of it. There's one particular instance with Mark  
15 D'Onofrio where he actually specifically said to us on the  
16 phone, "Well, you know, boys, what we're doing is illegal."

17 Q. And Mr. Lankford was on that call?

18 A. Yes, he was.

19 Q. Okay. Now, how often did you meet with Mr. Lankford during  
20 the course of the fraud?

21 A. If it wasn't every day, we rarely would miss a day that we  
22 didn't see each other.

23 Q. And was the majority of that, if not all of that, in  
24 furtherance of the fraud, your meetings?

25 A. Yes, that's correct.

1 Q. Okay.

2 THE COURT: I just have a couple of questions.

3 MR. LIEBERMAN: Sure. Please, Your Honor.

4 THE COURT: This is for my own understanding for the  
5 purposes of going forward in this civil case.

6 So the original participants, was it you, Gordon, Clark and  
7 Lankford? How did this all come about?

8 THE WITNESS: Well, it was David Gordon, myself, Mark  
9 D'Onofrio --

10 THE COURT: Okay.

11 THE WITNESS: -- and Josh Lankford.

12 THE COURT: Okay. And then who was the attorney?  
13 Clark?

14 THE WITNESS: Gordon.

15 THE COURT: Gordon. And he was the Tulsa -- who was  
16 the Tulsa connection?

17 THE WITNESS: David Gordon.

18 THE COURT: Gordon.

19 THE WITNESS: And then Rick Clark, Rick Singer, Jim  
20 Reskin, Dean Sheptycki were all --

21 THE COURT: The players you needed to help carry out  
22 the scheme?

23 THE WITNESS: Right. Vital players.

24 THE COURT: Yeah. The original four were Lindberg,  
25 Gordon, Lankford and D'Onofrio?

1 THE WITNESS: That's correct.

2 THE COURT: And then somehow you got Clark involved?

3 THE WITNESS: Right. Clark was David's best buddy.

4 THE COURT: Okay.

5 THE WITNESS: Office mate.

6 THE COURT: Okay.

7 THE WITNESS: He participated in every deal that David  
8 Gordon had.

9 THE COURT: He was also in Tulsa?

10 THE WITNESS: Yes.

11 THE COURT: And then Rick Singer, what was his role?

12 THE WITNESS: Another long-term friend of David Gordon  
13 who had participated with David Gordon in multiple penny stock  
14 deals over 10 years.

15 THE COURT: Thank you. I don't have any other  
16 question.

17 MR. LIEBERMAN: Okay.

18 THE COURT: You may step down and I think can be  
19 excused. Do you need him any more?

20 MR. LIEBERMAN: No, Your Honor, but I'm wondering if  
21 he could stay in the courtroom --

22 THE COURT: Sure.

23 MR. LIEBERMAN: -- just in case Your Honor had any  
24 questions after Mr. Gregory testifies.

25 THE COURT: Okay. See you in June.

1 MR. LIEBERMAN: I do have one more question --

2 THE COURT: Yes.

3 MR. LIEBERMAN: -- now that I know the answer to it.

4 Q. (BY MR. LIEBERMAN) Was Mr. Sheptycki involved from the  
5 beginning of the fraud with respect to the three stocks that  
6 underpin the \$43 million forfeiture?

7 A. Yes, he was.

8 Q. Okay. Thank you.

9 THE COURT: Thank you.

10 All right. Next witness for the United States?

11 MR. LIEBERMAN: Sure. Your Honor, Agent Jarom  
12 Gregory.

13 THE COURT: And you might want to just take the  
14 notebook with you so that counsel doesn't have to keep  
15 approaching.

16 MR. LIEBERMAN: Yes.

17 THE COURT: Good.

18 MR. LIEBERMAN: That's the way we intended it for  
19 Agent Gregory.

20 THE COURT: Good.

21 (WITNESS SWORN)

22 THE COURT: Would you please state your full name and  
23 spell your first name.

24 THE WITNESS: Yes, ma'am. Name is Jarom Gregory.

25 Jarom is spelled J-A-R-O-M. Last name is Gregory,

1 G-R-E-G-O-R-Y.

2 THE COURT: And we're here to make a record that I  
3 assume is very similar to the record that you made in front of  
4 Judge Payne but I need it in this case. Okay?

5 THE WITNESS: Yes, ma'am.

6 **JAROM GREGORY,**

7 being first duly sworn to testify the truth, the whole truth,  
8 and nothing but the truth, testified as follows:

9 **DIRECT EXAMINATION**

10 BY MR. LIEBERMAN:

11 Q. All right. Agent Gregory, what I'd like to do first is  
12 introduce you to the Court. What was your role in the Shell  
13 Creation Group prosecution?

14 A. I was one of the case agents in the investigation and I was  
15 also a summary witness during the criminal trial of Mr. Gordon  
16 and Clark.

17 Q. All right. So you testified before Judge Payne?

18 A. Yes, I did.

19 Q. Okay. Now, what I'd like to do is walk you through the  
20 exhibits, and let's start with 1.

21 A. Yes.

22 Q. All right. Now, what is 1 intended to depict?

23 A. 1 depicts the total proceeds that were made during the  
24 fraud of NLST, Deep Rock and Global Beverage Solutions. You  
25 see the total there that sums up the total amount of proceeds

1 they earned.

2 Q. Okay. Now, is that the total amount that Judge Payne found  
3 for purposes of the forfeiture?

4 A. It is the same.

5 Q. Okay. Now, did you prepare this summary chart?

6 A. I did prepare it.

7 Q. And when did you prepare it?

8 A. I prepared it -- I've had this on my computer for over a  
9 year now, this calculation.

10 Q. All right. Now, does this chart number 1 tie into any of  
11 the other exhibits that we have?

12 A. It does. It ties into exhibits 2, 3 and 4.

13 Q. All right. Let's go to exhibit 2.

14 A. Yes. Exhibit 2 is --

15 Q. Before you get there, did you prepare exhibit 2?

16 A. Yes, I prepared exhibit 2.

17 Q. Okay. And what did you use to prepare exhibit 2?

18 A. This was prepared from the brokerage account statements  
19 that we gathered up during the trial, during the case. This  
20 represents all the brokerage accounts that I could say that  
21 were tied back to our guys.

22 Q. And what does exhibit 2 depict?

23 A. This depicts the total proceeds earned in each particular  
24 account for the fraud for NLST, and you have a sum at the  
25 bottom which totals with chart 1 -- or exhibit 1.

1 THE COURT: And just for the record, the highlighted  
2 portion is the Coyote Investment Holdings which is  
3 Mr. Sheptycki's?

4 THE WITNESS: Yes, Your Honor.

5 THE COURT: Okay.

6 Q. (BY MR. LIEBERMAN) Now, would you explain to us what the  
7 red entries in parens are.

8 A. Yes. Throughout the investigation there were several  
9 accounts that would change due to the clearinghouse at a  
10 brokerage firm being changed, and so these red are where that  
11 particular account had more buys in it than sells, so that's  
12 why it looks like a negative.

13 Q. Is that a lag because of a change in the transfer agent?

14 A. It was the clearinghouse.

15 Q. Clearinghouse, rather?

16 A. Yes. So you would have these buys, and then the next time  
17 it changed to a different clearinghouse you'd have a bunch of  
18 sells and there would be no buys.

19 Q. Okay. But it doesn't designate a net loss?

20 A. No, it does not.

21 Q. Okay. All right. Let's go to 3. Is your testimony for  
22 exhibit 3 the same with respect except that the numbers  
23 change --

24 A. Yes.

25 Q. -- and the stock changes?

1 A. Yes, it is.

2 Q. Okay.

3 A. And also on this one, in addition to Coyote, you have  
4 another account that's Dean Sheptycki's which is Gibraltar  
5 Global Securities.

6 Q. Okay. And let's go to Global Beverage, exhibit 4. Here  
7 again, your testimony would be the same as it was for exhibit  
8 2?

9 A. Yes, sir, that's correct.

10 Q. Okay.

11 MR. LIEBERMAN: So, unless Your Honor has any  
12 questions, --

13 THE COURT: No.

14 MR. LIEBERMAN: Okay.

15 Q. (BY MR. LIEBERMAN) Let's move on to exhibit 5 which I  
16 showed to Mr. Lindberg. Did you prepare exhibit 5?

17 A. Yes, sir, I did.

18 Q. And what does exhibit 5 depict?

19 A. This depicts total proceeds calculated from Dean  
20 Sheptycki's involvement in the fraud. The first total up here  
21 says total wires from the co-conspirators. This is any amounts  
22 that went into any of his accounts related to our three stocks:  
23 National Storm, Deep Rock, Global Beverage. And then the total  
24 trading proceeds. Eventually during the scheme they decided  
25 to, instead of sending him money, they sent him a bunch of

1 shares, and so he started selling those off and using the  
2 proceeds from those to continue sending out the fax blasts.

3 Q. Does exhibit 5 tie into any other exhibits before you?

4 A. It does. It ties into exhibits 6 and 7.

5 Q. All right. Let's turn to 6. Please explain to Her Honor  
6 what 6 depicts.

7 A. Exhibit 6 is another chart that I prepared. These are all  
8 the wires that I pulled from going into Mr. Sheptycki's Coyote  
9 Investments account ending in 8034. It's got dates and it  
10 tells you exactly who was sending the wires. And then also  
11 Gibraltar Global Securities, any wires into that account as  
12 well. The total is down at the bottom which corresponds.

13 Q. And that ties into 5?

14 A. Yes, sir.

15 Q. That total.

16 And with respect to 7, would you tell us what 7 depicts.  
17 Again, you prepared 7?

18 A. Yes. 7, I traded off of the brokerage statements. These  
19 are the trading proceeds. Dean Sheptycki was given 1.25  
20 million shares of Global Beverage, he deposited into his  
21 account and he started selling off. Up at the top are some  
22 trading proceeds that he actually did on something else. You  
23 can see over there those are NLST, Deep Rock. And then the  
24 Global Beverage down below where you have Gibraltar, that's  
25 where he received the 1.25 million.

1 Q. I didn't quite understand what you meant when you said --  
2 when you referred to the top of the chart.

3 A. Oh, the kind of top half you can see over in the stock on  
4 the far right column it has, "NLST, Deep Rock," --

5 Q. Right.

6 A. -- and there's some Global Beverage as well.

7 Q. Right.

8 A. Those Coyote Investment Holdings, Mr. Sheptycki was also  
9 buying and selling at the same time as he was sending out  
10 faxes. He knew what was going on, so he decided to get  
11 involved.

12 Q. Okay.

13 A. Then Gibraltar Global Securities, the stocks related to  
14 only Global Beverage for those particular accounts, those are  
15 the 1.25 million shares I had talked about before that he had  
16 received.

17 Q. Now, the red entries on exhibit 7, is your testimony about  
18 those the same as it was about the earlier red entries?

19 A. It is the same; yes, sir.

20 Q. Okay. All right. Let's turn to exhibit 8. Did you  
21 prepare exhibit 8?

22 A. I did.

23 Q. And what did you use to prepare it?

24 A. Exhibit 8 was prepared from the brokerage account state-  
25 ments used during the investigation that we had received. I

1 included this in the exhibit book because down at the bottom  
2 you see "Coyote Investments" which is highlighted. This chart  
3 titled "Deep Rock Priming Summary Chart" shows where they were  
4 pumping up the stock before they actually sent out a fax and  
5 Dean Sheptycki knew so he's buying and helping to prime the  
6 stock.

7 Q. All right. Let's take a look at exhibit 9. What is  
8 exhibit 9 and how did it come into your possession?

9 A. Yes. Exhibit 9 is a Coyote Investment Holdings bank  
10 account. That's one of Mr. Sheptycki's accounts that ends in  
11 8034. We've seen some of the -- on those previous charts where  
12 the wires were coming into this account. This was received  
13 through the investigation. The SEC actually received it first  
14 and we got it subsequently.

15 Q. All right. Now, there are highlighted lines on the ensuing  
16 pages of exhibit 9. What do they depict?

17 A. These depict the wires. Mr. Lindberg testified earlier he  
18 had sent some wires. This is actually Sheptycki's account  
19 receiving those wires from Mr. Lindberg. You also --

20 THE COURT: Those are payments for the fax blasts?

21 THE WITNESS: Payments for the fax blasts.

22 THE COURT: Okay.

23 A. And then you also see -- you have down on 9-13 there's one  
24 from David Gordon; 9-19, another one from David Gordon. It  
25 shows how I came up with the previous charts.

1 Q. (BY MR. LIEBERMAN) It shows his involvement with other  
2 conspirators other than Mr. Lindberg?

3 A. Yes, it does.

4 Q. All right. And the last pages, those are account opening  
5 documents and signature pages?

6 A. That's correct.

7 Q. All right. Let's go to exhibit 10. Did you prepare  
8 exhibit 10?

9 A. Yes, I did. This was prepared from all the bank records  
10 that we had received during the course of our investigation.  
11 This particular account is from the Royal Bank of Canada. It  
12 is the Gibraltar Global Securities account that Sheptycki  
13 utilized. And at the top you can see on 11-15 there's a wire  
14 in there from Mr. Lindberg for faxes, and then you have some  
15 other highlighted ones also from people known to be associated  
16 with the manipulation of the stock that were sending in wires.

17 Q. And from your investigation, what did Mr. Sheptycki use  
18 this particular account for in connection with the fraud?

19 A. At the end, he actually used it for -- after he would sell  
20 the shares of his Global Beverage Solutions that was tied back  
21 to that Barron Moore account, it was called Gibraltar Global  
22 Securities, after you sell those shares you have to send it to  
23 a bank account with the same name. And so after he would sell  
24 the shares out of the brokerage account, he would forward them  
25 to his bank account and then he would send out the wires for

1 fax blasts.

2 Q. All right. Now, the last page of exhibit 10 is a Royal  
3 Bank of Canada statement or page from a statement. Why did you  
4 include that in the exhibit?

5 A. It's just an example of what the bank statements actually  
6 looked like and where we got the data from for that  
7 spreadsheet. You can see on November 15th, you see that wire  
8 from Mr. Lindberg, the --

9 Q. So this is --

10 A. -- 150,000.

11 Q. -- an example only; it's not the full extent --

12 A. That's correct.

13 Q. -- of the data?

14 Okay. Now let's go to 11.

15 A. Yes.

16 Q. And 11 was a document that you obtained during the course  
17 of the investigation?

18 A. Yes, sir.

19 Q. And remind us what Barron Moore is again.

20 A. Barron Moore is the broker dealer that we heard  
21 Mr. Lindberg testify about how Josh Lankford, he was the owner  
22 of it, it was necessary to help pump the stocks.

23 Q. And Gibraltar Global is the name of the account, and that  
24 is Mr. Sheptycki's account?

25 A. Yes. That's Mr. Sheptycki's and if you'll turn to the

1 third page in, that's where you see the 1.25 million shares  
2 coming into his account.

3 Q. Okay. How do you know this is Mr. Sheptycki's statement?

4 A. Based on witness testimony throughout the investigation we  
5 were told this is where -- like Mr. Lindberg was told to send  
6 money here and that's how they would get the fax blasts to go  
7 out.

8 Q. Okay. All right. Let's turn to 12. What's 12?

9 A. This is a copy of a Bank of America bank statement for the  
10 David Gordon & Associates trust account. This was also  
11 received during the course of our investigation.

12 Q. All right. Now, there are highlights on the third page of  
13 this exhibit. What do they depict?

14 A. These, I just wanted to highlight the instances where  
15 Mr. Gordon himself was sending money to Mr. Sheptycki for the  
16 purposes of fax blasts.

17 Q. Again, this is to show the involvement of Mr. Sheptycki  
18 with other defendants in the matter?

19 A. Yes, sir.

20 Q. Okay. Let's turn to 13, please.

21 A. 13.

22 Q. And what is 13?

23 A. 13 is -- there's several different communications that were  
24 found in search warrant records. These depict -- they were  
25 found in Mr. Gordon's offices. Dean Sheptycki is sending --

1 for the first one, Dean Sheptycki is sending Mr. Gordon an  
2 e-mail saying, "This is where you need to send the money." It  
3 was for a fax blast. I know, based on testimony from  
4 witnesses, that Majestic Global Trading, that's who sent out  
5 the faxes and this is where the money was going.

6 Q. Let's turn to 14, please.

7 MR. LIEBERMAN: I think we've had sufficient testimony  
8 on 14, and we can pass that, Your Honor.

9 THE COURT: All right.

10 Q. (BY MR. LIEBERMAN) 15, we have what?

11 A. 15 is the Barron Moore brokerage statement for Mr. David  
12 Gordon's account. This is the one that was used -- the 1.25  
13 million shares of Global Beverage Solutions came out of  
14 Mr. Gordon's account to go to Sheptycki.

15 Q. All right. Now, turn to the fourth page of that exhibit.

16 THE COURT: That's the transfer?

17 MR. LIEBERMAN: The transfer. Thank you, Your Honor.

18 Q. (BY MR. LIEBERMAN) Is that correct?

19 A. I'm trying to get to the fourth page. Yes, that is.

20 Q. Okay. All right. Let me just --

21 THE COURT: So who's Matthew Crockett?

22 THE WITNESS: Matthew Crockett, that is the half-  
23 brother of Joshua Lankford. He was a nominee, basically, for  
24 Mr. Lankford.

25 THE COURT: Okay.

1 Q. (BY MR. LIEBERMAN) Now, there's a page at the end of the  
2 -- not the end of the exhibit but after the statement that's on  
3 G. David Gordon & Associates' letterhead. What is that?

4 A. Yes, that is the letter of authorization that was required  
5 by the brokerage house, Barron Moore, before they would  
6 actually send out the shares from Mr. Gordon's account to  
7 Mr. Sheptycki's account.

8 Q. And the next page behind that is what, sir?

9 A. Yes, that's a notarized authorization to transfer that 1.25  
10 million shares of Global Beverage from Gordon to Sheptycki.

11 Q. Okay. Let's turn to 16, please. And I think Chief Judge  
12 Eagan anticipated Mr. Crockett.

13 A. Yes.

14 Q. What is 16?

15 A. 16 is a copy of his -- we've got the signature card from  
16 Mr. Crockett showing it's his account. And then the reason why  
17 I included it is because a little ways back, a couple of pages  
18 back, you can see a wire from Mr. Crockett of \$42,000 going to  
19 Mr. Sheptycki's account for the purpose of the fax blast.

20 Q. Okay.

21 A. It kind of shows that Mr. Lankford was also involved with  
22 Sheptycki as well.

23 Q. All right. Let's go to -- I guess we can do 17, 18 and 19  
24 kind of as a group, but why don't you take a look at them and  
25 tell us what they are.

1 A. Yes, sir. First, 17, this is the first fax blast that went  
2 out for National Storm Management. I included it because it  
3 was the first one. That was sent through Sheptycki.

4 18, it's the same thing except this one is for Deep Rock.  
5 This is the first Deep Rock fax blast that was sent out.

6 And then you have 19, which is the first fax blast for  
7 Global Beverage Solutions.

8 Q. Okay. Let's go to 20.

9 A. Yes.

10 Q. These are the -- you heard Mr. Lindberg's testimony. The  
11 author of this or the person that oversaw the preparation of  
12 these faxes was Mr. Sheptycki?

13 A. Yes.

14 Q. Okay. Exhibit 20, tell us what this is.

15 A. Yes. Exhibit 20 was also found in the documents seized  
16 from Mr. Gordon's offices. This is a fax from Mr. Sheptycki to  
17 Mr. Gordon on September 19th, which is only a couple of weeks  
18 after the first fax blast for National Storm went out. He's  
19 basically saying, "This is our disclaimer," and asking for any  
20 suggestions. It shows that Mr. Sheptycki, he's the one that  
21 sent the fax asking for help.

22 Q. Okay.

23 MR. LIEBERMAN: All right. Your Honor, 21 is simply  
24 Judge Payne's order for criminal forfeiture which we're not  
25 going to have testimony here for, but what I'd like to do is

1 take a short break to consult with -- well, Ms. Depew tells me  
2 I can do something without a short break.

3 No, we're going to need a short break so I can understand  
4 the note.

5 THE COURT: Just go ahead and consult. I'll be  
6 waiting right here.

7 MR. LIEBERMAN: Okay.

8 (PAUSE)

9 MR. LIEBERMAN: Your Honor, thank you very much for  
10 indulging us. I hope three quick ones.

11 Q. (BY MR. LIEBERMAN) The \$43 million figure in the  
12 forfeiture order, was that used for another purpose by Judge  
13 Payne other than simply the forfeiture?

14 THE COURT: Was it the amount --

15 Q. (BY MR. LIEBERMAN) In the sentencing.

16 THE COURT: -- of loss at sentencing?

17 THE WITNESS: Yes, it was.

18 MR. LIEBERMAN: Ah, thank you, Your Honor. There you  
19 go.

20 THE COURT: I'm all over that issue.

21 MR. LIEBERMAN: Thank you. Yes, you are. Okay.

22 Q. (BY MR. LIEBERMAN) Next. Am I correct that Mr. Sheptycki  
23 was part of the priming, the pumping as well?

24 A. Yes, he was. I can't remember what exhibit it was but on  
25 that one chart, yes.

1 THE COURT: Right.

2 Q. (BY MR. LIEBERMAN) Now, would you tell us just a little  
3 more about Mr. Crockett and his relationship to Mr. Lankford  
4 and his role. How old was Mr. Crockett when all this was going  
5 on?

6 A. When he got first involved, I think he was 18, maybe 19.  
7 He was a young kid. Mr. Lankford hadn't been in his life for a  
8 while and he all of the sudden shows up and they start hanging  
9 out and he basically has Matt Crockett open all these bank and  
10 brokerage accounts and that's where a lot of the money went --  
11 for Mr. Lankford, that's a lot of the accounts that were used  
12 to facilitate the fraud.

13 Q. All right. So Crockett was a front guy for Lankford?

14 A. Yes, he was.

15 Q. And he was not even out of his teens when --

16 A. Yes, he was.

17 Q. -- he formed that role?

18 THE COURT: His role model.

19 MR. LIEBERMAN: Yes.

20 Your Honor, that's all I have for Agent Gregory. I would  
21 formally move the admission of exhibits.

22 THE COURT: Thank you.

23 Thank you very much, Agent Gregory. I have no questions  
24 for you.

25 THE WITNESS: Thank you, Your Honor.

1 THE COURT: The Court admits into evidence exhibits 1  
2 through 21 of the plaintiff, and finds, based upon the evidence  
3 presented this date, that the government -- the Securities and  
4 Exchange Commission is entitled to default judgment against  
5 Mr. Sheptycki for his engaging in a pump-and-dump scheme to  
6 inflate the prices of Target Stocks and to sell his shares at  
7 an inflated price. The Court finds that the SEC is entitled to  
8 a default judgment of disgorgement. And the Court finds, based  
9 upon the totality of the evidence, that the total amount of the  
10 disgorgement should be \$43,927,809.95 representing the profits  
11 received as a result of the conduct alleged in the complaint.

12 The Court also orders pre-judgment interest thereon from  
13 January 1, 2007, through December 31, 2010, in the amount of  
14 \$10,855,267.04, for a total amount of the judgment of  
15 \$54,783,076.99 of disgorgement. Post-judgment interest shall  
16 accrue at the rate of .26 percent per annum. I think that's  
17 still the correct figure as of today but we'll verify that.  
18 And as I mentioned previously, the Court orders that  
19 Sheptycki's liability for disgorgement will be joint and  
20 several with any other defendant found liable in this case for  
21 the conduct alleged.

22 Now I'd like to turn my attention -- and let me just  
23 reiterate for the record I'm going to give my notebook to  
24 Ms. Holland. I'm going to ask that she scan the exhibits and  
25 somehow make them accessible on CM/ECF, whether they be an

1 attachment to the minutes or a separate docket entry of  
2 exhibits from the evidentiary hearing.

3 Now I'd like to address what the SEC is requesting in the  
4 way of a civil penalty, and also if you can enlighten as to  
5 what factors I should take into account on default judgment  
6 with regard to the amount of the civil penalty, be it \$100,000  
7 or double the amount of the proceeds, and I'll leave that up to  
8 you.

9 MR. LIEBERMAN: Yes, Your Honor. We're asking for  
10 what's called a third tier, as Your Honor is familiar, which,  
11 if I recall correctly, is Section 21(d) of the '34 act.

12 THE COURT: Right.

13 MR. LIEBERMAN: I apologize for tossing those out.

14 THE COURT: 21(d)(3); right?

15 MR. LIEBERMAN: 21(d)(3), yes, Your Honor. And the  
16 factors are commonly called the Steadman factors, and I don't  
17 know if I put them in our brief. I don't have them on the tip  
18 of my tongue, the way it was written up in Steadman, but I can  
19 tell you that the degree of sophistication of the scheme, the  
20 extent of time over which it took place, the --

21 THE COURT: What was the total time period as proven  
22 at the criminal trial?

23 MR. LIEBERMAN: May I ask Ms. Depew?

24 THE COURT: Was it 2005 through '8 or '6?

25 MS. DEPEW: 2005 through --

1 AGENT GREGORY: Late '05 through mid '06, I believe.

2 THE COURT: So at least six months?

3 AGENT GREGORY: Yes.

4 THE COURT: Okay. Thank you.

5 MR. LIEBERMAN: The degree of the injury to the  
6 public, which we have a figure of 43 million, and the  
7 defendant's involvement in the scheme itself and --

8 THE COURT: Would you say he was mid-level? He wasn't  
9 the top?

10 MR. LIEBERMAN: He wasn't the top.

11 THE COURT: And he wasn't the bottom? He wasn't a  
12 Matthew Crockett?

13 MR. LIEBERMAN: No.

14 THE COURT: He was right in the middle?

15 MR. LIEBERMAN: He was a full scienter participant --

16 THE COURT: Right.

17 MR. LIEBERMAN: -- who actually leveraged the fraud  
18 for his own benefit --

19 THE COURT: Right.

20 MR. LIEBERMAN: -- off to the side by buying and  
21 selling during the pump.

22 This typically goes to the notion of why we need a  
23 permanent injunction, which I think Your Honor has already said  
24 you're going to give us, but --

25 THE COURT: Yes.

1 MR. LIEBERMAN: -- he's clearly going to be a  
2 recidivist because he was buying and selling other shells, so  
3 he needs to be stopped.

4 We've also asked for a penny stock bar; is that right?

5 THE COURT: That's in there.

6 MR. LIEBERMAN: Okay, Your Honor.

7 THE COURT: I included that.

8 MR. LIEBERMAN: Okay.

9 THE COURT: So let me ask you --

10 MR. LIEBERMAN: Yeah, sure.

11 THE COURT: The Court finds, based upon the evidence  
12 here, that this was a very sophisticated scheme, that the time  
13 period was at least six months, that the degree of injury to  
14 the public was at least 43 million, and the defendant had a  
15 mid-level involvement.

16 So what is your request as to the amount of the civil  
17 penalty?

18 MR. LIEBERMAN: The request for civil penalty is what  
19 we call a one-time penalty which means the civil penalty is  
20 equal to the disgorgement amount.

21 THE COURT: So the same amount then?

22 MR. LIEBERMAN: 43 million; yes, Your Honor.

23 THE COURT: Without pre-judgment interest?

24 MR. LIEBERMAN: We don't get PJI on penalty, Your  
25 Honor.

1 THE COURT: Uh-huh. Okay.

2 MR. LIEBERMAN: And if Your Honor would --

3 THE COURT: And, of course, I've got the post-judgment  
4 interest on that.

5 MR. LIEBERMAN: Right. Yes, Your Honor.

6 And if Your Honor would please issue an order for  
7 Mr. Sheptycki to send his check in immediately. I'm kidding,  
8 Your Honor.

9 THE COURT: Right. I'm sure you'll have it by Monday.

10 MR. LIEBERMAN: Sure.

11 Your Honor, if Your Honor is finished with that portion, I  
12 would like -- and Your Honor is going to order this, I don't  
13 know if Your Honor is going to write on it, but I would like to  
14 give you just one cite to a case within the Tenth Circuit that  
15 deals with this joint and several. It's out of Kansas. It's  
16 United States vs. Yass, Y-A-S-S, 636 F.Supp.2d 1177, and it  
17 looks like the discussion starts at 1186.

18 THE COURT: And just give me a thumbnail of it.

19 MR. LIEBERMAN: Basically, the Tenth Circuit, at least  
20 as of this date, and I couldn't find anything, has not written  
21 on this issue. The judge in this case predicts that the Tenth  
22 Circuit will follow the Ninth Circuit and others that have gone  
23 that way that say that, "Joint and several liability is  
24 appropriate in securities laws cases where two or more  
25 individuals or entities have close relationships in engaging in

1 illegal conduct." Now, that's a cite from another case but  
2 that's picked up by the judge in the Yass case, and I'll give  
3 Your Honor that case. It's SEC vs. Calvo. It's out of the  
4 Eleventh Circuit, the cite is 378 F.3d 1211, and that quote  
5 comes from page 1215.

6 And in the Kansas case, the judge talks about the concept  
7 of foreseeability. If a conspirator is not involved in every  
8 aspect of the fraud, is it reasonably foreseeable that the  
9 breadth of the fraud and the harm that is done would support a  
10 notion that the person should be found liable, jointly and  
11 severally. That's discussed in the case in Kansas and the cite  
12 that I gave you also discusses that, Your Honor.

13 THE COURT: I'm not sure we're going to be writing  
14 long about it in the default judgment here but we probably will  
15 be on summary judgment.

16 MR. LIEBERMAN: Okay.

17 THE COURT: Based upon the fact that this was a  
18 criminal conspiracy that also has resulted in a civil  
19 conspiracy claim, and the fact that the same factors that would  
20 make it joint and several in the criminal context dictate that  
21 it should be joint and several in the civil context, including  
22 the fact that Mr. Sheptycki was fully aware of what was going  
23 on and knew the extent -- the breadth and the extent of the  
24 conspiracy and the fact that he had notice that it was  
25 foreseeable that the public would be harmed by the conduct of

1 all those involved, and the fact that you don't want the  
2 government to have a double recovery, --

3 MR. LIEBERMAN: That's right.

4 THE COURT: -- it seems to me that this Court will  
5 follow Yass and Calvo and find that the civil conspiracy  
6 disgorgement should be joint and several for all of those  
7 reasons. We'll probably have to write about that when we get  
8 to Lankford.

9 MR. LIEBERMAN: Okay. Thank you, Your Honor.

10 THE COURT: I want to tell you how much I appreciate  
11 your coming from Washington to do this but I just thought --  
12 it's not only for this default judgment, so I will now have the  
13 transcript and the record to go forward on the rest of the case  
14 so that you don't have to come back, but I wanted to make sure  
15 you got here on a lovely spring day --

16 MR. LIEBERMAN: It's beautiful.

17 THE COURT: -- and you get home safely by Friday  
18 evening and hopefully you'll be able to catch an early  
19 afternoon flight.

20 MR. LIEBERMAN: Thank you, Your Honor. If I may, I'd  
21 like to, on the record, thank Catherine Depew --

22 THE COURT: She's very helpful in this arena.

23 MR. LIEBERMAN: -- for the help that she provided to  
24 the SEC throughout this case, and to me personally. It was  
25 invaluable.

1 THE COURT: Well, thank you very much. And I  
2 appreciate your understanding of why I wanted this to be --

3 MR. LIEBERMAN: Sure.

4 THE COURT: -- belt-and-suspenders.

5 MR. LIEBERMAN: Thank you, Your Honor.

6 THE COURT: And, Ms. Depew, thank you for coming  
7 today, as well for counsel.

8 MS. DEPEW: Thank you, Your Honor.

9 As a housekeeping matter, if it would be helpful, we have  
10 most if not absolutely every exhibit electronically, so we  
11 could easily put the exhibit stickers on and e-mail them to the  
12 courtroom deputy.

13 THE COURT: Let's ask Ms. Holland what her preference  
14 is.

15 THE DEPUTY COURT CLERK: That would be great.

16 THE COURT: E-mail to Ms. Holland would be lovely and  
17 then she can scan them in with her minutes.

18 MS. DEPEW: Will do, Your Honor.

19 THE COURT: Thank you. We'll get this entered before  
20 you even get to the airport.

21 MS. DEPEW: Thank you very much.

22 THE COURT: Thank you very much.

23 MR. LIEBERMAN: Thank you, Your Honor.

24 THE COURT: We'll be in recess.

25 (PROCEEDINGS CLOSED)

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**REPORTER'S CERTIFICATION**

I CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT  
TRANSCRIPT OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

CERTIFIED: s/Greg Bloxom  
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**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

**UNITED STATES OF AMERICA,**     )

**Plaintiff,**                             )

**v.**   )

**Case No. 09-CR-013-JHP**

**JOSHUA WAYNE LANKFORD and**     )

**JAMES RESKIN,**                         )

**Defendants.**                             )

**RESTITUTION SENTENCING MEMORANDUM OF UNITED STATES**

Pursuant to Rule 32(f) of the Federal Rules of Criminal Procedure, the United States hereby submits this sentencing memorandum with regard to restitution issues. Based on the complexity of the offense from which the laundered funds were derived and the conspiracy, the number of victims, and the difficulty in identifying and certifying victims with a loss as a result of the securities fraud conspiracy, a determination of restitution would complicate or prolong the sentencing process.

Title 18 U.S.C. § 3663A(c)(3) provides that restitution shall not apply where:

(A) the number of identifiable victims is so large as to make restitution impracticable; or

(B) determining complex issues of fact related to the cause or the amount of the victim's losses would complicate or prolong the sentencing process to a degree that the need to provide restitution to any victim is outweighed by the burden of the sentencing process.

Pursuant to the terms of the Plea Agreements, the United States and Defendants Lankford and Reskin agreed that the identifiable victims are sufficiently large and stipulated that the determination of the complex issues of facts related to the case and the amount of the victims' losses would complicate or prolong the sentencing process to such a degree that the need to provide restitution to any victim is outweighed by the burden of the sentencing process (Dkt. ## 459, at. 6; 178, at. 5).

At the sentencing hearings of Defendants David Gordon and Richard Clark in October 2010, the Court having considered the analysis of trading as of the time of trial concluded that there were approximately 11,500 victims. Based upon the information known to the Court and Probation at the time of sentencing, the Court ordered that Gordon and Clark pay restitution in the amount of \$6,150,136.79 (Dkt. ## 321, 322).

In the related criminal case, *United States v. Lindberg*, in June 2011, the Court waived restitution pursuant to 18 U.S.C. § 3663A(c)(3). *United States v. Lindberg*, 08-CR-133-CVE, Dkt. # 59, at 5. Restitution was waived pursuant to a plea agreement stipulation and a restitution sentencing memorandum filed by the United States in the *Lindberg* case.

Further victim analysis has shown that the victim list provided by FBI was not a complete list of investors, and further was not based upon a determination of whether investors incurred a loss as a result of the conspiracy. Revised analyses conducted as part

of the ongoing forfeiture remission process whereby victims share in forfeited proceeds have shown that the total number of victims is more than 17,000. However, to date, a final determination has not been made as to the total number of victims with a loss as a result of the stock manipulation conspiracy.

Various properties of Defendants Gordon, Clark and Lindberg were ordered forfeited in this case and the related *Lindberg* case. The goal of the United States in using forfeiture was to ultimately return forfeited proceeds to the investor victims with a loss.

The United States entered into a contract with a Claims Administrator to identify and contact potential victims and inform them of the opportunity to file a petition for remission for a pro-rata share of the forfeited funds from this case and the related *Lindberg* case. The Claims Administrator provided notice to the potential victims, is processing petitions received and, following review and approval by Department of Justice, will make disbursements to the victims. Through the remission process, potential victims received notification and an opportunity to obtain forfeited funds in lieu of restitution. *See* Statement of Work, attached.

WHEREFORE, based upon complex issues regarding the amount of loss to the large pool of investor victims, restitution is impracticable and would unduly complicate the sentencing process to a degree that the need for a restitution order is outweighed by the

